ITOCHU Corporation

ESG Report 2025



Contents

Contents 2
Editing Policy / Corporate Profile 3
Chairman & CEO 4
President & COO 5
Chief Administrative Officer (Sustainability Committee Chair) 6



Sustainability at the ITOCHU Group

Our Sustainable History and Value Creation Model 8
Policy & Basic Approach 12
Governance 16
Strategies 20
Management of Sustainability-related Risks 24
Metrics and Targets 25
Collaboration with Outside Initiatives 41



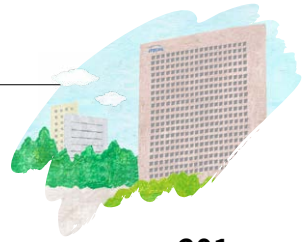
Environment

Environmental Policy 46
Environmental Management 47
Climate Change (Information Disclosure Based on TCFD Recommendations) 49
Prevention of Pollution and Resource Circulation 69
Water Resources Conservation 81
Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations) 85
Clean-tech Business 101
ESG Data (Environment) 115



Society

Labor Practices 123
Human Resources Development 137
Occupational Safety and Health Management 143
Respect and Consideration for Human Rights 151
Responsibilities to Customers 161
Sustainability in the Value Chain 171
Social Contribution Activities 190
ESG Data (Society) 195



Governance

Corporate Governance 201
Risk Management 228
Compliance 237

Sustainable Finance 244
Evaluation by Society 246
Independent Assurance Report 251

Editing Policy

ITOCHU' s ESG Report seeks to provide various stakeholders including shareholders, investors, business partners, and others with a deep understanding of our company' s sustainability policies, approaches, targets, systems, and specific initiatives. We recognize that meeting the expectations of society through business activities will help maintain sustainability and lead to further growth. With this in mind, ESG Report 2025 reports the details of our sustainable activities in the previous fiscal year together with ESG performance data and our contribution to the SDGs.

Reporting Period

This report principally covers actual data for the fiscal year beginning on April 1, 2024, and ended on March 31, 2025 (FYE 2025). However, some of the most recent information on our activities and initiatives is also included.

Reporting Boundary

This report covers ITOCHU Corporation (7 domestic offices and 87 overseas offices) and its major group companies.

Independent Assurance

The environmental and social performance indicators marked with ★ in this report are independently assured by KPMG AZSA Sustainability CO., Ltd. (P251)

Publication Information

Publication: September 2025
Next publication (scheduled): September 2026
Previous publication: September 2024

Referenced Guidelines

In promoting sustainability, we refer to international guidelines and principles such as The Ten Principles of the United Nations Global Compact and Sustainable Development Goals (SDGs) adopted by the United Nations in September 2015. The guidelines and principles we refer to are listed below.

- The Paris Agreement (COP21)
- The Ten Principles of the United Nations Global CompactOpen in a new window
- GRI Sustainability Reporting Standards (GRI Standards)
- Please refer to GRI Standard Reference Table.
- International Integrated Reporting Framework (IIRC)
- IFRS ISSB S1, S2
- The Environmental Reporting Guidelines issued by the Ministry of the Environment
- ISO 26000 (Social Responsibility)
- TCFD Recommendations
- TNFD Recommendations
- Universal Declaration of Human Rights (UDHR)
- UN Guiding Principles on Business and Human Rights
- Sustainable Development Goals (SDGs)
- United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)
- Basic Principles on the Use of Force and Firearms by Law Enforcement Officials
- OECD Guidelines for Multinational Enterprises
- Keidanren: Charter of Corporate Behavior, Global Environment Charter
- Japan Foreign Trade Council: Shosha's Corporate Environmental Code of Conduct, Supply Chain CSR Action Guidelines, Long-term Vision for Climate Change Measures

Corporate Profile

Company Name	ITOCHU Corporation
Founded	1858
Incorporated	December 1, 1949

Headquarters

Tokyo
5-1, Kita-Aoyama
2-chome, Minato-ku,
Tokyo 107-8077, Japan

Osaka
1-3, Umeda 3-chome,
Kita-ku,
Osaka 530-8448, Japan

Chairman & CEO	Masahiro Okafuji
Common Stock	253,448 Million Yen
Number of Offices	Domestic Offices 7 Overseas Offices 87
Number of Employees*	Consolidated 115,089 Non-consolidated 4,114 (As of March 31, 2025)

* The number of consolidated employees is based on actual working employees excluding temporary staff.

Inquiries
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Website Inquiries Form: https://www.itochu.co.jp/en/inquiry/index.html

Disclosure of Sustainability-related Information

Publication	Contents	PDF	HTML
ESG Report	ITOCHU discloses information on a wide range of topics concerning its sustainability initiatives. The PDF is published as an annual report so as to provide continuous record of our ESG initiatives. On our Sustainability website, we provide information on activities carried out during the fiscal year in a timely manner.	●	●
Integrated Report	This report is for a wide range of stakeholders including investors to provide particularly important information on our management performance and future growth strategies, as well as sustainability initiatives, in an integrated form, including financial and non-financial information, based on the characteristics of our business activities as a general trading company.	●	●
Corporate Governance Report	This report presents our company's approach to corporate governance and its corporate structure in accordance with the principles stated in the Corporate Governance Code. We provide more detailed information on governance such as institutional design, operational status, and effectiveness evaluation.	●	
Financial Information Report	Financial Information Report (FIR) is a report that extracts partial information from our Annual Security Report, which is prepared as the financial statements in accordance with Article 24, Paragraph 1 of the Financial Instruments and Exchange Act of Japan and submitted to the Kanto Local Finance Bureau. We provide detailed information on our financial conditions.	●	

Forward-Looking Statements

This site contains not only past and present facts, but also forecasts, targets, and plans for the future. These forward-looking statements are based on information available at the time they were updated and are subject to a number of factors that may cause actual results to differ materially from those presented in the forward-looking statements. Please use this site at your own discretion.

Chairman & CEO

Responding to Society's Needs and Solidifying the Foundation for Increased Corporate Value

Our management policy, "The Brand-new Deal," serves as a compass for where ITOCHU is headed. It established three pillars to sustainability increase corporate value: grow earnings, enhance corporate brand value, and shareholder returns. We have steadily produced results in all three areas over the past year. In particular, consolidated net income reached 880.3 billion yen, a record high.

Under my "earn, cut, prevent" principle that provides a foundation for management, improved business performance requires not only earning money, but also predicting and preventing risks in advance. An increasing range of social issues pose a variety of different risks to companies, which are expected to respond. Some examples include climate change, natural capital, and supply chain management. Efforts to prevent risks in these issues can lead to stronger value chains and even new business. For example, around the time we began efforts to obtain information on sites of origin for natural rubber to prevent illegal logging and human rights issues, Europe adopted regulations on preventing deforestation and promoting a sustainable environment. The result was a new business model for us.

Diversification of human resources, including management, is also an important and urgent task. After introducing a system for promoting female employees to executive officer positions in FYE 2024, we internally promoted five female executive officers last fiscal year and another five this fiscal year, bringing the percentage of female executive officers to 28%, the highest of any general trading company. We believe that this is not simply a measure to increase the number of female managers, but rather a medium-to-long-term effort to create an environment in which every employee, regardless of gender or age, can play an active role, and to foster a culture that develops female executive officers; this will also further enhance our corporate brand value.

Meanwhile, it has been one year since we launched WECARS Corporation. We believe that the restructuring of the former company, which was once Japan's top used car company in a domestic market that is estimated to be worth over 4 trillion yen, is of great social significance given the foundational role of used car distribution for society. In addition, providing safety and security to consumers, keeping workers employed, and restoring trust in the industry as a whole by making the used car business more transparent will contribute to the spirit of our corporate mission, "*Sampo-yoshi*" (good for the seller, good for the buyer, and good for society).

ITOCHU will continue to strive to be a valuable company for all stakeholders, in the spirit of "*Sampo-yoshi,*" and will aim for steady and sustainable growth even in a rapidly changing global environment.



June 2025



Masahiro Okafuji
Member of the Board
Chairman & Chief Executive Officer

President & COO

Achieving Sustainable Growth in Corporate Value and Striving for New Heights

ITOCHU Corporation established our new management policy for FYE 2025, "The Brand-new Deal: Profit opportunities are shifting downstream," which seeks to achieve sustainable growth in corporate value. Under the three pillars of growing earnings, enhancement of corporate brand value, and shareholder returns, we are united in advancing and evolving downstream business that is close to consumers.
In FYE 2025, we achieved a record-high profit of 880.3 billion yen, and in the rankings of the most popular employment destinations for graduating students, which serve as one of the indicators of corporate brand value, we secured the top position across all industries in six out of seven major media outlets.
Additionally, we received the highest industry award in S&P Global's worldwide sustainability assessment.

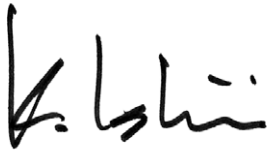
On the international stage, meanwhile, geopolitical risks show no signs of abating, with Russia's ongoing invasion of Ukraine, and conflicts erupting in areas such as the Middle East, India, and Pakistan, along with the impact of U.S. tariff policies. The global supply chain is more complex than ever, requiring advanced supply chain management. Similarly, while there are concerns about the effect of geopolitical risks on the pace of change, decarbonization trends require appropriate action, while also considering energy security.

Changes in global affairs are affecting the situation on the ground more rapidly by the day, and we anticipate that the world will become still smaller. However, regardless of the business environment, as a general trading company involved in various industries worldwide, we aim to achieve steady corporate growth by effectively responding to rapidly changing situations, making adjustments as needed, and using digital technology, including generative AI.

The spirit of our corporate mission, "*Sampo-yoshi*" (good for the buyer, good for the seller, and good for society), is rooted in the words of our founder, Chubei Itoh. Under this spirit, which resonates with today's Sustainable Development Goals (SDGs), we will continue to help address social issues through our core business while striving for new heights.



June 2025



Keita Ishii
Member of the Board
President & Chief Operating Officer

Chief Administrative Officer (Sustainability Committee Chair)

Our Tradition of "*Sampo-yoshi*" and Sustainability

Guided by the spirit of our corporate mission, "*Sampo-yoshi*" (good for the seller, good for the buyer, and good for society), the ITOCHU Group seeks not only to achieve profit but also to help address social issues, in line with the trust and expectations placed on us by our customers, shareholders, employees, and various other stakeholders. In so doing, we aim to have an ongoing and positive social impact and to contribute to a sustainable society for all.

This philosophy of "*Sampo-yoshi*" was nurtured by our founder, Chubei Itoh, a travelling linen merchant who did business throughout Japan. At that time, in addition to providing products that met the needs of customers at reasonable prices, he also contributed to the development of the local communities he visited, including by supporting recovery from natural disasters and establishing educational institutions, leading to a growing business base and relationships built on trust. "*Sampo-yoshi*" has become the foundation for the sustainable development of our business, and has led to a long-term strengthening of our corporate value. Last year, ITOCHU and "*Sampo-yoshi*" were selected for a Harvard Business School case study by Professor Sandra J. Sucher, an expert in the research of building trusted corporations. The case study demonstrates academically how "*Sampo-yoshi*" forms the foundation for building corporate trust and achieving business growth.

Because we have fewer employees than our industry peers, we have promoted Work-Style Reforms to help strengthen our human capital so that every employee can work healthily and with a high level of motivation. Our founder placed importance on human resource development, actively promoting talented human resources, adopting a meeting system to emphasize communication with store workers, and building the foundations of mutual trust between store owners and employees. This spirit has also been passed down to the modern-day ITOCHU, which is committed to creating a challenging but rewarding workplace. As such, we have worked to build a work environment where all our employees can continue to work with a sense of fulfillment through a series of measures, including the introduction of our Morning-Focused Working System and support for balancing cancer treatment with work. These Work-Style Reforms have helped enhance our corporate brand value. We placed first for all industries in six out of the seven main rankings of the most popular employment destinations for university students graduating in 2026, our highest number ever. But we cannot simply rest on our laurels: we will help our employees to independently develop their careers by providing them with practical experience in the field and abundant training, developing them into merchants who understand the evolving social environment and customer needs, in the spirit of our guideline of conduct, "I am One with Infinite Missions." Through this process, we will create human resources who are able to implement "*Sampo-yoshi*" on the ground.

Our measures to promote sustainability include not only working to strengthen human capital, but also contributing to the achievement of the Sustainable Development Goals (SDGs) through our core business with regard to the environment. We are actively disclosing information in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial



Disclosures (TNFD) to allow our stakeholders to better understand our measures to address business risks and opportunities. This fiscal year, we analyzed the natural rubber business, which has a high reliance and impact on nature per the TNFD, and disclosed the results of that analysis. We believe that our initiatives related to natural capital, which aim to achieve harmony between our business, business partners, local communities, and the natural environment, will also become a new way to put "*Sampo-yoshi*" into practice.

We will work to further enhance the value of our corporate brand by refining the qualitative elements outlined in our management policy, the Brand-new Deal, and will implement the measures introduced above as a foundation for building long-term relationships with customers and local communities. Through these efforts, we believe that the spirit of "*Sampo-yoshi*" we inherited from our founder will be increasingly recognized globally.

June 2025

Fumihiko Kobayashi
Member of the Board
Executive Vice President
Chief Administrative Officer



Sustainability at the ITOCHU Group

Sustainability

Our Sustainable History and Value Creation Model

The Roots of Our Management Philosophy

ITOCHU Mission: *Sampo-yoshi*

Guided by our Group's corporate mission, "*Sampo-yoshi*" (Japanese for "good for all three sides": good for the seller, good for the buyer, and good for society), ITOCHU seeks not only to achieve profit but also to help address social issues, in line with the trust and expectations placed on us by our diverse stakeholders, including our investors and shareholders, business partners, and employees.



Calligraphic characters (*Sampo-yoshi*) by Shoko Kanazawa

Our Founder, Chubei Itoh, and *Sampo-yoshi*

The foundation of ITOCHU Corporation traces back to 1858, the year in which Chubei Itoh set out from his hometown of Toyosato Village (Shiga Prefecture) to Nagasaki as a traveling linen merchant.

Chubei Itoh's business was based on the spirit of *Sampo-yoshi*, the management philosophy of merchants of Ohmi.

The philosophy originated in the shogunate era, when the Ohmi merchants were permitted to do business in the regions they visited because they focused not only on "good for the seller" and "good for the buyer", but also on contributing to the economy of these regions, or "good for society". This can be said to form the roots of modern sustainability.

The roots of *Sampo-yoshi* are said to lie in Chubei Itoh's personal motto, "Trade is a compassionate business. It is noble when it accords with the spirit of Buddha by profiting those who sell and those who buy and supplying the needs of society." The spirit of *Sampo-yoshi*, based on trust and credibility, has been passed down in our company for over 160 years since our founding, and we will continue to uphold this enduring spirit in the future.



Our founder, Chubei Itoh (1842 - 1903)



Ohmi merchants (Photo courtesy of Archival Museum for the Faculty of Economics at Shiga University)

A Management Philosophy Inherited from Our Founding

Rational and Progressive Management

In 1872, Chubei Itoh established a "store law" to modernize management. The store law was a set of house rules covering what today could be called the corporate mission, guideline of conduct, human resources system, and employment regulations, which subsequently became the philosophical foundation of ITOCHU Corporation's management. Additionally, Chubei Itoh introduced pioneering management methods for the time, such as adopting a meeting system that emphasized communication with employees and codifying of a system of sharing profit between three parties,* thereby building a foundation of mutual trust with employees and achieving rational management.

* System of sharing profit between three parties: In an era where the feudal influence remained strong, this was an extremely progressive philosophy of sharing profits with employees. The store's net profit was divided among three parties: the store owner, the store's reserve fund, and store employees.

Front-line Capabilities and Customer Focus

Chubei Itoh stated, "The footprints of the landowner become fertilizer for the fields, and the gaze of the herdsman enhances the sheen of the cattle and horses," encouraging management to lead by example and go to the front-line. Additionally, all employees were assigned to branch stores for thorough on-site training, urged to continuously improve with a high level of business compliance, and taught to show utmost respect to customers. These front-line capabilities and customer focus are important perspectives that connect to our market-oriented approach today.

Employees Are Family

Employees were treated with deep affection, akin to family. An example is the sukiyaki parties held each month on days ending with a 1 or 6, where all employees participated in an informal gathering with no hierarchy. Unusually for that era, many group photographs were preserved and featured all employees, also reflecting the company's care for its employees. This spirit of "employees are family" is alive today in our current Work-Style Reforms.



A ledger from the time of ITOCHU's founding



Itoh Honten ("Itoh Headquarters") employee group photo (c.1900)

Our Sustainable History and Value Creation Model

More than 160 Years of History and Sustainability

How has ITOCHU Group been able to keep developing for more than 160 years since its founding? The answer lies in the trust we have built in our company by continuously responding to customer and societal needs, based on the spirit of *Sampo-yoshi* inherited from our founding.

Our Group's initiatives rooted in *Sampo-yoshi* are currently contributing to enhanced corporate value, sustainability, and business longevity, garnering interest not only domestically in Japan but abroad, including in their selection for a Harvard Business School case study.

Moving forward, our Group will continue to enhance corporate value and achieve sustainable growth through the practice of *Sampo-yoshi*.



Headquarters with modern amenities, built in 1915



Trust and Sustainability

Sandra J. Sucher

Professor of Management Practice, Harvard Business School

Internationally recognized trust researcher, studying how organizations become trusted and the vital role leaders play in building and restoring trust. Author of 110 business cases, technical notes, video interviews, teaching notes, and three books, including The Power of Trust. Business executive for 20 years before joining Harvard, including as a senior executive at Fidelity Investments, and has served on corporate and nonprofit boards and as Chair of the Better Business Bureau. Currently a member of the Edelman Trust Institute Advisory Board.

The first time I heard the English translation of the philosophy of *Sampo-yoshi*, "Good for the Seller, Good for the Buyer, Good for Society," it struck me as a perfectly clear statement of trust. Why? Because it shows the intentions of the trusted party—ITOCHU—to the people and groups it wants to trust it. By committing to be "good for the buyer, and good for society" ITOCHU acknowledges that it is being trusted and in order to make good on that trust, it needs to act in a beneficial manner.

Many people believe that acting in an ethical manner assumes self-sacrifice. What is especially useful about *Sampo-yoshi* as a business philosophy is that it is premised on the assumption that businesses have to pursue their own interests to be in a position to be able to help others, and that if they do that, they will also benefit. This leads to an approach that builds trust into the fabric of the business and how it acts.

ITOCHU is an example of building trust through sustainability in two ways: the long-term sustainability of the business itself, and the sustainability of the communities where it does business. The two strands come together in its embrace of the UN's Sustainable Development Goals (SDGs). Acting to promote sustainability is a clear expectation of society, and ITOCHU offers a model for how to organize a business to do this. It has a multi-level governance structure, and its sustainability activities are approved of and monitored by the top leadership of the company. One of the strengths of its approach is that it is also bottom-up: its eight division companies develop sustainability action plans that are socially valuable and commercially viable. Each one is a lesson for other companies wanting to fulfill societal expectations for business leadership in addressing sustainability. Taken together, they show the sheer scale and audacious ambitions that are possible.

We know from research that trust is built from the inside-out. *Sampo-yoshi's* "Good for the Seller" doesn't just refer to profits earned from being good for its customers, it also underpins ITOCHU's commitment to employees' development with rewards for contribution. Two unique human resource practices illustrate the culture: the Morning-Focused Working System, and a program of support for balancing cancer care and work. These practices grow directly from *Sampo-yoshi* and show the same aptitude for creativity and practical decision making that is characteristic of how ITOCHU solves problems and operates, and how to enhance productivity, loyalty, and trust.

What stands out for me as a trust researcher is the fact that ITOCHU has prospered by following the philosophy of *Sampo-yoshi* for 160 years. ITOCHU shows the importance of making management philosophies that build trust into living things that ground a company and at the same time continue to be developed as contexts and conditions change.

Our Sustainable History and Value Creation Model

8 Division Companies

Textile

Providing new values and impressions for everyday life in fields ranging from fashion to high-tech materials.

Machinery

Developing in a broad array of fields including large-scale plants, social infrastructure, aircraft, ships, automobiles, construction machinery, and industrial machinery.

Metals & Minerals

Contributing to economic development and environmental protection worldwide through the development and safe supply of mineral resources.

Energy & Chemicals

Working in tangible and intangible ways to help improve lives by using overall strength as a global trading company to offer solutions and services.

Food

Expanding globally while contributing to food safety and security from the supply of basic ingredients for food to manufacturing, distribution and retail.

General Products & Realty

Operating on a global scale in fields ranging from general lifestyle products to the development and sale of homes and the goods that support them.

ICT & Financial Business

Creating and expanding new markets by utilizing business development functions based on ICT and BPO along with customer networks.

The 8th

Building on our strength in the consumer sector and full utilization of various business platforms for the development of new businesses and customers through a market-oriented perspective.

Consolidated Net Profit Growth

Steadily Improving Earning Power

ITOCHU has overcome numerous hardships by transforming itself by flexibly changing its management resource allocation and business structure in response to changes in the external environment. Since FYE 2011, ITOCHU has accelerated the speed of growth and steadily improved earning power step by step.

1858-

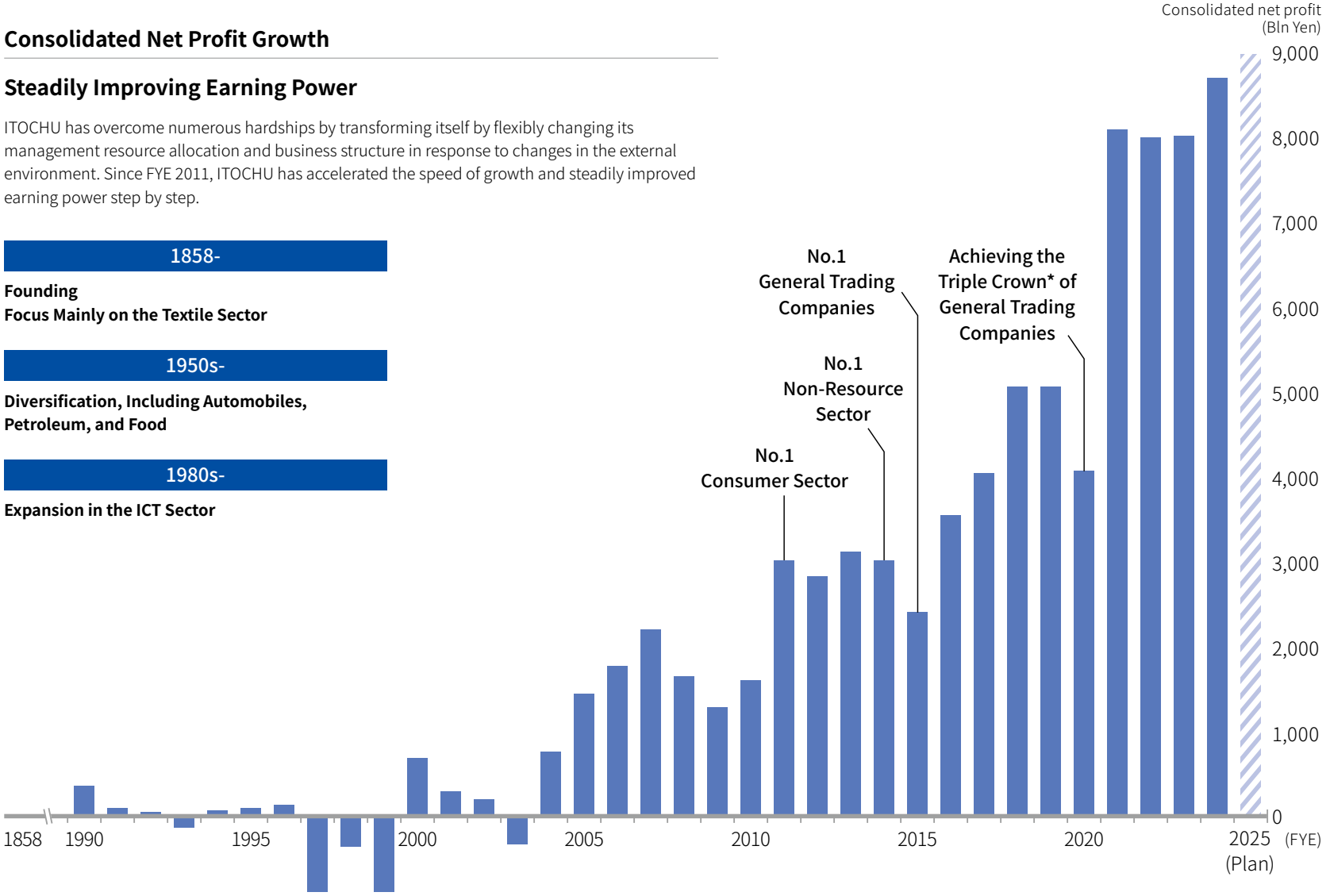
Founding
Focus Mainly on the Textile Sector

1950s-

Diversification, Including Automobiles, Petroleum, and Food

1980s-

Expansion in the ICT Sector



1990s-

Disposal of Negative Legacy Assets from the Bubble Era
Set the Steppingstones for the Current Business, Such as Acquiring Shares in FamilyMart

2010s-

Enhancing Comprehensive Strength through Downstream-Driven Transformation

* Market capitalization, share price, and consolidated net profit

Our Sustainable History and Value Creation Model

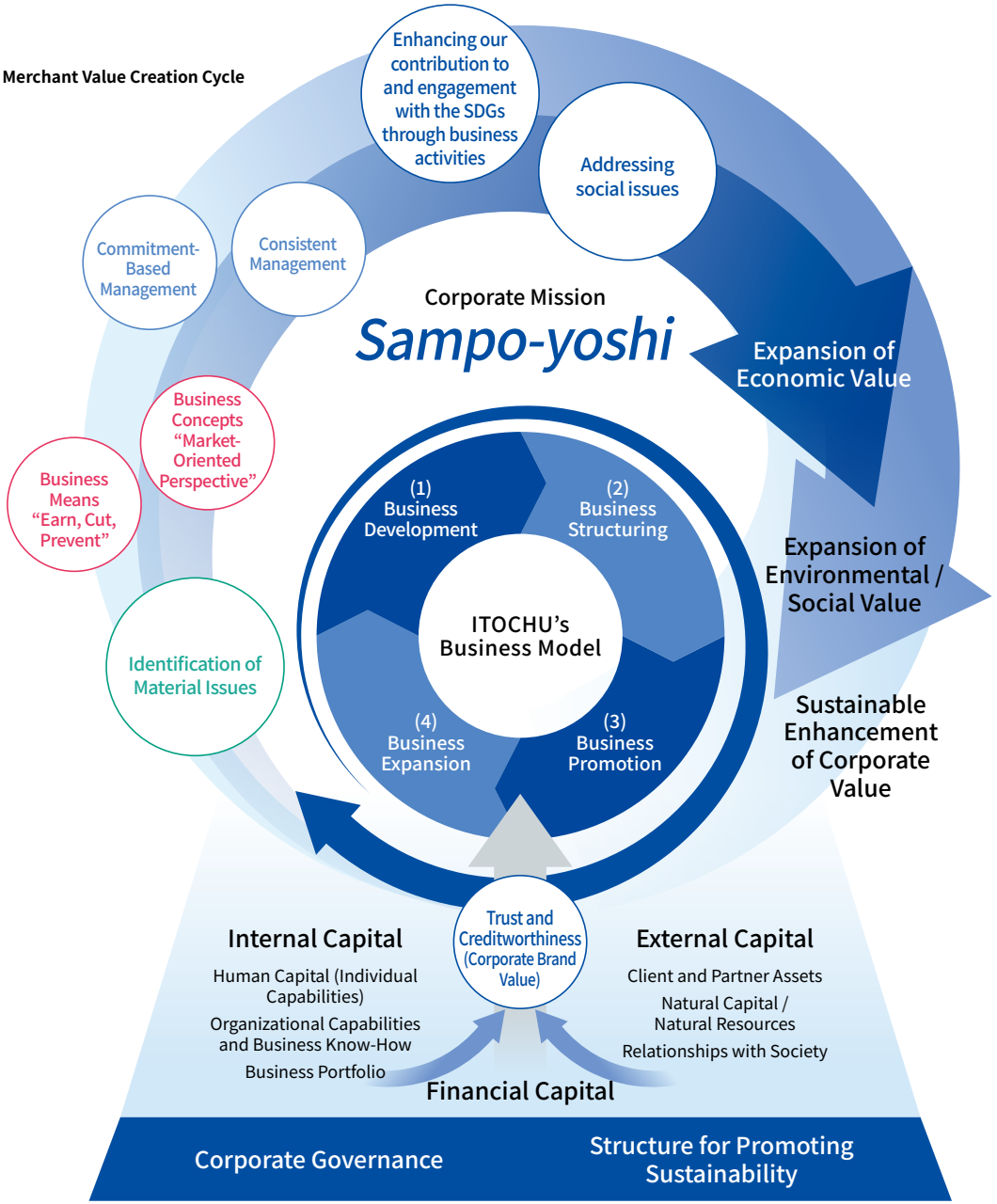
Sampo-yoshi Capitalism and The Merchant Value Creation Cycle

To achieve a sustainable society, we embrace an approach to a capitalism that serves all stakeholders, or *Sampo-yoshi* Capitalism. Through our business activities, we will contribute to the achievement of the Sustainable Development Goals (SDGs) in such ways as maintaining the foundations of everyday life and protecting the environment.

Based on ITOCHU's founding spirit and corporate mission *Sampo-yoshi*, we have identified seven key issues (material issues) from Environmental, Social, and Governance (ESG) perspectives, and aim to address social issues through our core business based on our management policy. As a result, we will expand both economic value and environmental and social value, thereby striving for the sustainable enhancement of our corporate brand value.

Regarding efforts related to the SDGs, we continue to enhance our contribution to and engagement with the SDGs, one of the pillars of the previous medium-term management plan, "Brand-new Deal 2023," and this commitment is continued under the current management policy, "The Brand-new Deal: Profit opportunities are shifting downstream," as well. By actively promoting such areas as business expansion in accordance with a decarbonized society, leading development in the recycling businesses, and sustained growth through strengthening the value chain, we will balance responses to societal demands with business expansion.

■ The Merchant Value Creation Cycle



Policy & Basic Approach

Sustainability Policy

The ITOCHU Group Sustainability Policy

ITOCHU Group, conducting business globally under the spirit of "*Sampo-yoshi*," the founding spirit and our Corporate Mission, considers that addressing global environmental and social issues is one of the top priorities in our management policy. We have formulated this policy based on The ITOCHU Group Corporate Guideline of Conduct, "I am One with Infinite Missions," and The ITOCHU Group Code of Ethical Conduct for the realization of sustainable society.

1. Identification of Material Issues and Promotion of Businesses that Address the Social Issues

As a member of the international community, we will identify and assess material issues where we can create the most social and environmental value for that can enhance the sustainable growth of both society and our business.

2. Establishment of Mutual Trust with Society

We will take necessary measures to ensure that we disclose accurate and clear information and expand the information we disclose, and maintain a communicative relationship with our stakeholders. In doing so, we aim to be receptive and responsive to the expectations and demands of society.

3. Strengthening Sustainable Supply Chain and Business Investment Management

We will promote sustainable business activities by preventing and continuing to give consideration to problems for the conservation of the global environment, climate change mitigation and adaption, pollution control, resource recycling, protection of biodiversity and ecosystems, and basic human and labor rights.

We will endeavor to effectively use resources (such as air, water, land, food, minerals, fossil fuels, animals and plants), respect human rights and consider occupational health and safety in the businesses where we invest and in the supply chains of the products we handle.

We request our business partners to understand and implement the concept of sustainability in the ITOCHU Group, and aim to build a sustainable value chain.

We will respect the legal systems of each country and international norms. We will strive to understand the cultures, traditions and customs of countries and regions around the world. We will then engage in fair and sincere corporate activities.

4. Education and Awareness of Employees to Promote Sustainability

We believe that the promotion of sustainability starts with each and every employee. Therefore, we will take necessary measures to educate our employees on the material issues we have identified and nurture a sustainability mindset among the workforce. Every employee is expected to adhere to this policy by executing respective action plans drafted in alignment to this policy.

Fumihiko Kobayashi
Member of the Board
Executive Vice President
Chief Administrative Officer

Established in April 2006
Revised in April 2022

Policy & Basic Approach

Reference Guidelines and Principles for Promoting Sustainability

In promoting sustainability, we refer to international guidelines and principles such as The Ten Principles of the United Nations Global Compact and Sustainable Development Goals (SDGs) adopted by the United Nations in September 2015. The guidelines and principles we refer to are listed below.

- The Paris Agreement (COP21)
- GRI Standards
- IFRS ISSB S1, S2
- SASB (Sustainability Accounting Standards Board) Standard
- CSRD ESRS (European Sustainability Reporting Standards)
- ISO14001 (Environmental Management System)
- TNFD Recommendations
- Universal Declaration of Human Rights (UDHR)
- International Covenants on Human Rights
- Sustainable Development Goals (SDGs)*
- Basic Principles on the Use of Force and Firearms by Law Enforcement Officials
- Keidanren: Charter of Corporate Behavior, Global Environment Charter
- The Ten Principles of the United Nations Global Compact
- International Integrated Reporting Framework (IIRC)
- Disclosure Standards of SSBJ (Sustainability Standards Board of Japan)
- The Environmental Reporting Guidelines issued by the Ministry of the Environment
- ISO 26000 (Social Responsibility)
- TCFD Recommendations
- UN Guiding Principles on Business and Human Rights
- United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)
- OECD Guidelines for Multinational Enterprises
- Japan Foreign Trade Council: Shosha's Corporate Environmental Code of Conduct, Supply Chain CSR Action Guidelines, Long-term Vision for Climate Change Measures

* Sustainable Development Goals (SDGs): Following the 2015 deadline for the Millennium Development Goals (MDGs), the SDGs set goals for sustainable development by 2030. The 17 goals address issues such as poverty, starvation, energy, climate change and social equality.



ITOCHU Group's Concept of Sustainability

Guided by our founding spirit and corporate mission of *Sampo-yoshi* (good for the seller, good for the buyer and good for society), ITOCHU Group seeks not only to achieve profit but also to help address social issues, in line with the trust and expectations placed on us by our diverse stakeholders, including our shareholders, investors, business partners, and employees.

We adopted an environmental, social, and governance (ESG)-oriented management approach, identifying seven Material Issues (key sustainability issues) from two perspectives: societal impact and business impact. We believe that addressing these Material Issues in terms of both the associated risks and opportunities will serve to enhance our corporate value over the medium- to long-term.

In our long-term management policy, "The Brand-new Deal: Profit opportunities are shifting downstream," announced in April 2024, we have stated that we will achieve the enhancement of corporate brand value alongside growing earnings and shareholder returns. Furthermore, in order to further enhance our corporate brand value, we have established three main pillars: Reinforcement of human capital, Strengthen dialogue with stakeholders, and Enhancing our contribution to and engagement with the SDGs through business activities.

Since our founding more than 160 years ago, we have built our corporate brand value based on high external evaluations of our accumulated history of innovative initiatives, thereby creating synergies with financial growth and increasing our corporate value. Building on strengths like our points of contact with the consumer sector and based on the market-oriented perspective of all employees, we aim to further enhance our corporate brand value by listening to the voices of the market, society, and consumers, while continuing to steadily refine the qualitative aspects of our business activities.

Management Policy

The Brand-new Deal

–Profit opportunities are shifting downstream –

We aim to achieve sustainable enhancement in corporate value, by having all employees, from the business divisions to the administrative divisions, always enhancing their marketng capabilities, leveraging the assets and expertise of upstream and midstream, which we have been building up for over 160 years since our founding, while developing and evolving downstream businesses that are closer to consumers.

Grow earnings	No growth without investments
Enhancement of corporate brand value	Enhancement in qualitative aspects
Shareholder returns	Total payout ratio 40% or more The higher of 30% dividend payout ratio or dividend ¥200 per share

Built a "corporate brand" through high external evaluations based on the accumulation of innovative initiatives, creating a synergy effectwith financial growth, thereby enhancing corporate value.
Based on the "market-oriented perspective," we aim to further enhance brand value by listening to the voices of the market, society, and consumers, and continuing to refine our qualitative aspects diligently.

- Reinforcement of human capital
- Strengthen dialogue with stakeholders
- Enhancing our contribution to and engagement with the SDGs through business activities

Policy & Basic Approach

Material Issues

ITOCHU put forth Material Issues that incorporate an ESG perspective when we formulated the previous medium-term management plan as of April 2018. Addressing these Material Issues through our core business, we will contribute to a sustainable society. ITOCHU's sustainability initiatives aim to fulfill our responsibilities for the society of today and the future. Also, these initiatives are contributing to the achievement of the Sustainable Development Goals (SDGs)* adopted by the United Nations in 2015.

* Sustainable Development Goals (SDGs): Targets for sustainable development to achieve by 2030, adopted in September 2015 by member states of the United Nations

- Identification and Review Process for Material Issues (P15)
- Risks and Opportunities/Social Impacts of Each Material Issue (P22)
- Sustainability Action Plans (P26)

Evolve Businesses through Technological Innovation

We are creating new value by proactively exploring new technologies as we adapt to changing industry structures by venturing beyond existing business frameworks.



Address Climate Change (Contribute to a Decarbonized Society)

We are striving to adapt to the impact of climate change on our business activities, while also promoting business activities that contribute to a decarbonized society and seeking to reduce greenhouse gas emissions.



Develop a Rewarding Work Environment

We are developing a work environment where all employees feel proud and motivated, and where they can leverage their diversity to demonstrate their abilities to the fullest.



Respect and Consider Human Rights

We are promoting respect and consideration for human rights in our business operations and ensuring stability in our business, while also contributing to the development of local communities.



Contribute to Healthier and More Affluent Lifestyles

We are striving to improve the quality of life for all people and are contributing to the creation of healthier and more affluent lifestyles.



Ensure Stable Procurement and Supply

We are contributing to the creation of a circular economy by giving consideration to biodiversity and other environmental issues while undertaking the effective utilization of resources as well as their stable procurement and supply, in line with demand in each country.



Maintain Rigorous Governance Structures

We are ensuring appropriate and efficient execution of operations through independent, objective, and effective oversight of management by the Board of Directors and increased transparency in decision-making.





Policy & Basic Approach

Identification and Review Process for Material Issues

Since ITOCHU first identified Material Issues in 2013, we have conducted annual reviews based on trends in the international community and the expectations of stakeholders.

The Current Material Issues were identified in April 2018 in consideration of ITOCHU's sustainable growth and the social impact of its business, based on changes in social conditions and the business environment, such as the adoption of the SDGs and the effectuation of the Paris Agreement, as well as ITOCHU's corporate mission of *Sampo-yoshi*. While the original Material Issues focused on consideration for the environment and society (CSR), the revisions are based on "our efforts through core business," "alignment with management strategy," "medium- to long-term social change," and "the addition of governance elements." After we reviewed the Material Issues, considering our risks, opportunities, and external environment in FYE 2025, we confirmed that no changes are necessary at this time.

Processes of identifying and reviewing the Material Issues are as illustrated.

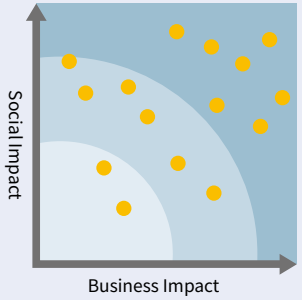
Step 1 Identification of Issues

ITOCHU referred to the international guidelines issued by the International Integrated Reporting Council (IIRC), items assessed by ESG evaluation organizations, etc. We prepared a strategy analysis sheet based on the SDGs, which cover a wide range of social issues, considering internal and external business environments, and international trends. With these approaches, we extracted issues (candidates of Material Issues) for sustainable growth.

SUSTAINABLE DEVELOPMENT GOALS

Step 2 Division Companies Determine Importance and Set Success Indicators

Each of ITOCHU's Division Companies determined the risks, opportunities and success indicators for their business activities. Concerning risks and opportunities by internal and external stakeholders, Business Impact and Social Impact of dozens of materiality candidates were examined from a medium- to long-term perspective for each Division Company, and mapped on a strategic analysis sheet. We followed the "*Sampo-yoshi*", which was our business philosophy and also our corporate mission to identify priority issues to address for sustainable growth.

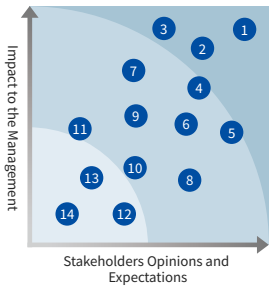


Step 3 Reviews by the Sustainability Advisory Board



ITOCHU created a Materiality Matrix based on both Impact to Management, and Stakeholders Opinions and Expectations. The Sustainability Advisory Board conducted reviews and an exchange of ideas on Materiality Matrix between outside experts with diverse backgrounds and expertise, based on the external environment and trends of other companies. We identified seven Material Issues as follows.

Materiality Matrix



1. Evolve Businesses through Technological Innovation
2. Address Climate Change
3. Develop a Rewarding Work Environment
4. Respect and Consider Human Rights
5. Contribute to Healthier and More Affluent Lifestyles
6. Ensure Stable Procurement and Supply
7. Maintain Rigorous Governance Structures
8. Improve Infrastructures
9. Supply Safe and Secure Products
10. Consider Biodiversity
11. Conserve Water
12. Prevent Air Pollution
13. Stimulate Regional Economy through Finance
14. Reduce Waste

Discussion Processes with External Stakeholders (Experts): ITOCHU Sustainability Report 2018 P24 (https://www.itochu.co.jp/en/files/18fulle-all.pdf#page=25)

Step 4 Discussion and Decision-Making Among Management

The Sustainability Committee chaired by the CAO held deliberations and confirmed the validity of Material Issues. Then meetings of the Board of Directors chaired by the CEO decided the 7 Material Issues.

Step 5 Reviews of Material Issues

Each year, Sustainability Management Division reviews the Materiality Matrix by taking account of the scope of the Company's business, the results of the key risk reviews conducted semi-annually under the scope of the enterprise risk management (ERM), and the concerns raised through the annual Sustainability Advisory Board meetings with external experts and interviews with shareholders for confirming the effectiveness of the current Material Issues. The results are discussed by the Sustainability Committee, where Division Companies and headquarters' administrative divisions also attend, and decided by the CAO, and reported to the Board of Directors.

Governance

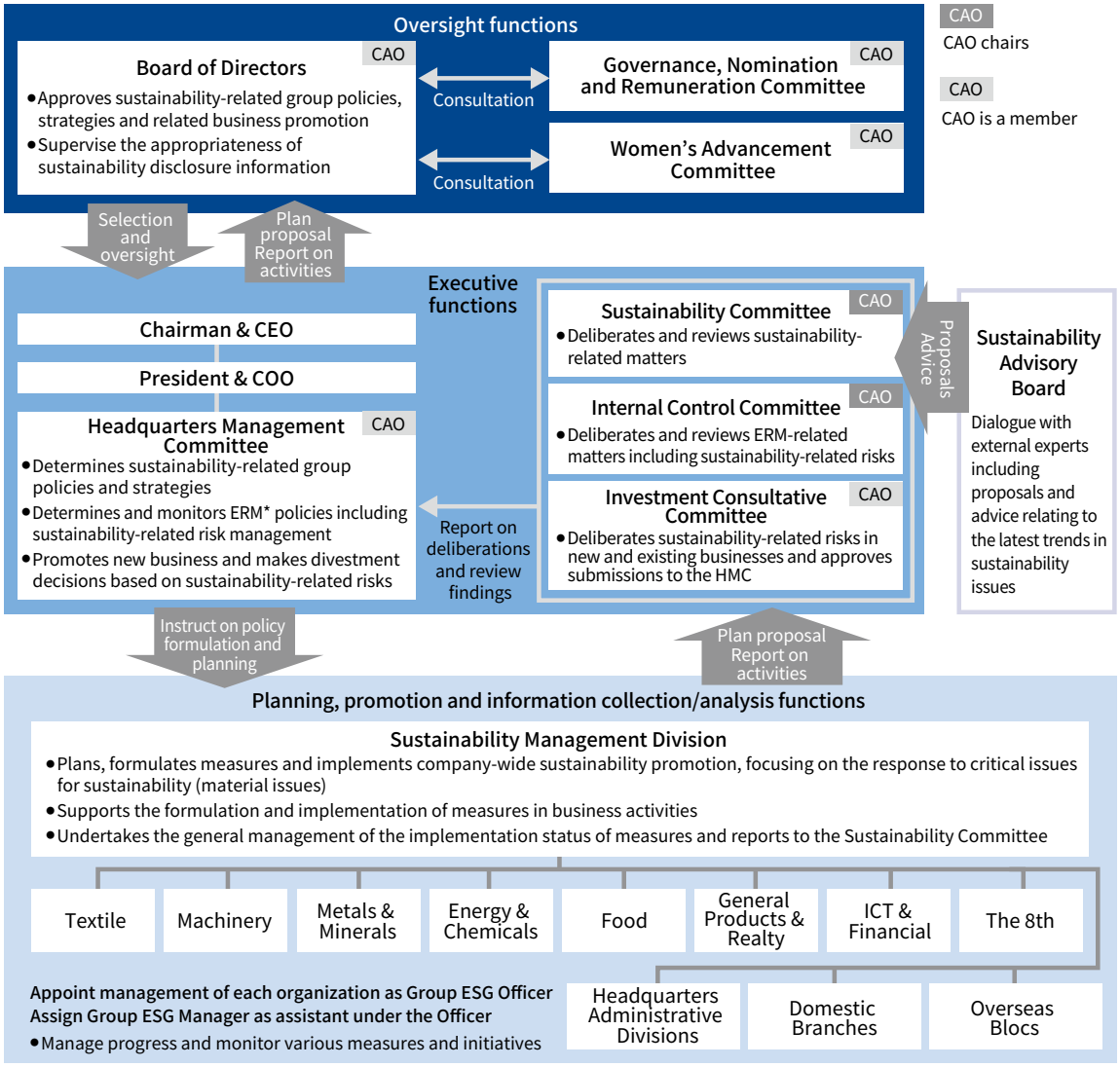
Organization and Systems

The Sustainability Management Division plans and formulates company-wide action to further sustainability at ITOCHU Corporation, which the Sustainability Chairperson served by the Chief Administrative Officer finalizes. Meanwhile, the ESG Officers and Managers in each unit carry out sustainability actions. The Sustainability Committee, one of the company's key committees, holds deliberations and reviews policy formulation and important matters. In addition to a role in heading the Sustainability Committee, the CAO joins meetings of the Board of Directors, the Headquarters Management Committee (HMC) and the Investment Consultative Committee. The chair also engages in decision-making based on the company's impact on the environment and society by reporting regularly to the Board of Directors to brief them on our promotion of sustainability.

We furthermore engage in dialogue with stakeholders within and outside the company. One example of this is our regularly convened advisory board. This dialogue provides an understanding of what society expects of and desires from the company, which we can then apply to our initiatives that lead to sustainable management and the resolution of social issues through core business operations.

* CAO: Chief Administrative Officer
HMC: Headquarters Management Committee

■ **Sustainability-related Governance Structural Chart (As of June 18, 2025)**



* ERM: Enterprise Risk Management

Governance

Board of Directors

ITOCHU Group recognizes that addressing sustainability challenges is one of its most important management priorities. The Board of Directors approves the Group policies, strategies, and business initiatives related to sustainability, and also provides oversight on the appropriateness of sustainability-related information that is to be disclosed.

The Board of Directors oversees the appropriateness of Material Issues by reviewing important matters such as policies toward risks and opportunities and specific actions to address them, as well as key performance indicators and progress toward their achievement.

Regarding the implementation of business and investment strategies (including the review of strategies and decisions on withdrawal from business) for sustainability-related risks and opportunities, including environmental and social risks, we use the ESG Checklist for Investments as a preliminary ESG risk assessment for all new investments, identify and analyze policies, structures and initiatives associated with sustainability-related risk. Those sustainability-related risks are verified at the Headquarters Management Committee (HMC), a committee where important matters are discussed.

After implementation, investments are followed up on from a multi-faceted perspective, including sustainability monitoring reviews of group companies to prevent sustainability-related risks, human rights due diligence, conducting on-site inspections to prevent environmental pollution, and other risks.

For management along the value chain, we conduct an annual sustainability survey to check the status of ESG initiatives of our suppliers. In addition, initiatives related to risks and opportunities regarding climate change are analyzed and disclosed based on the Task Force on Climate-Related Financial Disclosure (TCFD), and similarly those for natural capital are based on the Task Force on Nature-Related Financial Disclosure (TNFD) frameworks.

The Chief Administrative Officer (CAO) reports regularly to the Board of Directors on the content of deliberations at the HMC and initiatives taken, and the Board of Directors supervises the Company's efforts to address sustainability-related issues.

Skills and Competencies of the Board of Directors

ITOCHU's CAO has specialized experience and knowledge in the field of the SDGs and ESG. The CAO receives periodic reports about twice a month from the Sustainability Management Division in charge of planning and implementing various sustainability-related measures. Furthermore, we invite external experts to give talks and exchange opinions at meetings of the Sustainability Advisory Board held every year. Through those opportunities, we deepen our knowledge about sustainability-related trends in the world, the expectations in our company and the issues we should tackle.

The CAO, our representative director, is a member of the HMC which discusses our general management policy and important management-related matters. At the same time, the CAO concurrently serves as the chair of the Sustainability Committee. The CAO decides matters deliberated upon in meetings of the Sustainability Committee as the person with overall responsibility for sustainability. The HMC then approves important matters after they have been decided upon by the CAO. The CAO reports those decisions to the Board of Directors about three times a year together with the status of the main activities to promote sustainability. We believe this structure gives the Board of Directors the competency when overseeing sustainability.

Sustainability Committee

The Sustainability Committee deliberates on the formulation and implementation of various measures to respond to sustainability-related matters. The committee identifies, assesses and manages the setting of sustainability-related targets, the state of progress on those targets, and current sustainability-related risks and opportunities. The Board of Directors oversees the promotion of business and investment strategies to respond to sustainability-related risks and opportunities. (That includes a review of strategies and divestment decisions.) In addition, the management of each Division Company and administrative division have been designated as ESG Officers. ESG Officers are responsible for overseeing the progress of various sustainability-related measures and initiatives, and reporting this progress to the Sustainability Committee.

FYE 2025 Sustainability-related Deliberations and Reports

Board of Directors

Members	Number of Meetings Held
Directors and Audit & Supervisory Board members	3

Main items for approval/deliberation/report

- Reports on contents of deliberations by the Sustainability Committee and decisions by the CAO
- Reports on external ESG assessments
- Reports on social contribution initiatives

Sustainability Committee

Members	Number of Meetings Held
Chair: CAO Members: Corporate Planning & Administration Division Corporate Communications Division Human Resources & General Affairs Division Legal Division Finance Division General Accounting Control Division Global Risk Management Division Investor Relations Division (General Managers of each Administrative Division) General Managers of the Planning & Administration Departments in each Division Company Audit & Supervisory Board member	2

Main items for approval/deliberation/report

Items for Approval
- Disclosure of sustainability-related information in Annual Securities Report
- Revision of Environmental Policy
- Expanded notification of revised "Sustainability Action Guidelines for Supply Chains"

Matters to be Reported
- Confirmation of the material issues
- Review of sustainability action plans
- Results of ITOCHU Group Sustainability Monitoring Reviews
- Reports on response status of disclosure for CSRD, ISSB/SSBJ
- Reports on progress of GHG emissions and avoided emissions
- ISO14001 environmental management reviews
- Reports on human rights due diligence and sustainability surveys

Governance

Sustainability Advisory Board

The Sustainability Advisory Board was established to engage outside stakeholders in dialog with our executive management to determine whether the direction we are taking with regards to sustainability is aligned with the needs of society as ITOCHU Corporation's business grows more diverse and widespread, and then to apply the insights to promoting sustainability. ITOCHU holds this meeting every year.

Overview of the Sustainability Advisory Board 2024

In FYE 2025, we welcomed three experts to discuss the theme of "Supplier Engagement for GHG Emissions Reduction" in a meeting of the Sustainability Advisory Board we held in January 2025. First, we introduced the features of our Scope3 and the innovations and challenges in collecting Scope3, followed by lectures from the experts on the latest trends regarding national GX promotion measures, GHG protocol revision, and GHG data acquisition from suppliers from the experts' different perspectives.

Additionally, specific examples of reduced Scope3 emissions were introduced by the company. ITOCHU Group will continue to promote businesses that contribute to avoided emissions and collaborate with our partners along the value chain to advance environmentally friendly designs in handling products and services, the greening of energy usage, and striving to reduce GHG emission.



Meeting of the Sustainability Advisory Board 2024



Mr.Tomita from Institute for Sustainability Management



Mr.Yamagishi from WWF Japan



Mr.Nishida from Ministry of Economy, Trade and Industry

Summary of Past Activities

(Job Titles at the Time)

FYE 2025	**Supplier Engagement to Reduce GHG Emissions** **Advisory Board Members** ● Mitsuhiro Nishida — Director, GX Investment Promotion Division, GX Group, METI ● Naoyuki Yamagishi — Director, Nature Conservation Office, World Wide Fund for Nature Japan ● Hidemi Tomita — CEO, Institute for Sustainability Management **ITOCHU Members** ● Fumihiko Kobayashi — Representative Director, Executive Vice President, CAO ● Toshio Okudera — General Manager, Machinery Corporate Planning Dept. ● Kotaro Suzuki — General Manager, Metals Corporate Planning Dept. ● Hajime Sakanashi — General Manager, Energy & Chemicals Corporate Planning Dept. ● Yoshihiro Kamigaichi — General Manager, Food Business Planning Dept. ● Yasuhiro Takahashi — General Manager, Corporate Planning Dept. ● Tetsuya Asano — General Manager, Information & Financial Management Planning Dept. ● Toru Oka — General Manager, 8th Corporate Planning Office ● Kei Yoshikoshi — Textile Business Planning Dept. ● Yoshihito Tabe — Director, Sustainability Promotion Department (Moderator)
FYE 2024	**Natural Capital・Biodiversity・TNFD** **Sustainability Advisory Board Members** ● Ms.Naoko Hamashima — Office for Mainstreaming Biodiversity, Biodiversity Policy Division, Nature Conservation Bureau, Ministry of the Environment ● Ms.Kaori Fujita — Professor, Green Goals Initiative / Graduate School of Life Sciences, Tohoku University and Senior Deputy Editor, Nikkei ESG SDGs Center ● Mr.Hidemi Tomita — Managing Director, LRQA Sustainability K.K.
FYE 2023	**Supply Chains and Human Rights** **External Lecturer** ● Mr. Ken Toyoda — Director for Business and Human Rights Policy, Ministry of Economy, Trade and Industry **Sustainability Advisory Board Members** ● Ms. Tomoyo Matsui — Professor of Graduate Schools for Law & Politics, The University of Tokyo ● Mr. Hideki Wakabayashi — Director, Japan NGO Center for International Corporation・THINK Lobby Board Member・Director, Global Compact Network Japan
FYE 2022	**Carbon Credits** **Sustainability Advisory Board Members** ● Mr. Fumihiro Kajikawa — Director, Environmental Economy Office, Ministry of Economy, Trade and Industry ● Ms. Yukari Takamura — Professor of Institute for Future Initiatives, The University of Tokyo ● Mr. Hidemi Tomita — Managing Director, LRQA Sustainability K.K.
FYE 2021	**Response to Climate Change** **Sustainability Advisory Board Members** ● Ms. Yukari Takamura — Professor of Institute for Future Initiatives, The University of Tokyo ● Ms. Fuyumi Naito — Director of Decarbonized Business Promotion Office, Climate Change Policy Division, Global Environment Bureau/ Chief Sustainability Officer, Ministry of the Environment ● Mr. Hidemi Tomita — Director, Lloyd's Register Japan K.K.

Governance

Sustainability Awareness Activities at ITOCHU

While pursuing sustainable activities, ITOCHU engages in various activities to raise awareness within the Company so as to further ITOCHU Group officers and employees' understanding and to work through business on solutions to social issues in a manner that conforms to the latest global trends.

Recent Sustainability Awareness Activities

ITOCHU conducts general sustainability education for all directors and employees every year, with the aim of promoting sustainability throughout the company and conducting awareness surveys. This training is intended to promote understanding of trends in the environment, business, and human rights, as well as ITOCHU's initiatives, policies, and measures in response to these trends. In addition, the opinions and level of understanding received from the Employee Questionnaire conducted at the end of the course are utilized in the next year's training.

	Theme	Participation
FYE 2025	CAO Message, Management Policy and sustainability, GHG emissions reduction targets and avoided emissions, Environmental and social risk response, (Topic) Natural capital	100%
FYE 2024	CAO message, "*Sampo-yoshi*" capitalism, Role of non-financials in enhancing corporate value, Expansion of disclosure requirements, Expansion in environment from GHG to natural capital, Social and human rights	100%
FYE 2023	SDGs and Sustainability (Examples: Latest trends, Sustainability Action Plans, GHG emission reduction and climate change measures, business and human rights, supply chain management, etc.)	100%
FYE 2022	SDGs and Sustainability (Examples: Latest trends, risks and opportunities of the ITOCHU Group, GHG emission reduction and climate change measures, business and human rights, supply chain management, etc.)	100%
FYE 2021	Sustainability Trends (ITOCHU Group Material Issues, Risks, and Opportunities)	100%

Sustainability Seminars

We have been holding in-house sustainability seminars on a continuous basis since 2007 to improve the practical knowledge of our employees by incorporating insights and opinions from external experts on various sustainability issues.

Recent Seminars

In FYE 2023, we held a practical seminar on the methodology for calculating Scope3 emissions within the Itochu Group. Additionally, to ensure that all relevant employees can independently handle Scope3 calculations, we developed calculation manuals for each company division. Moreover, in FYE 2024, we held a video training course to deepen understanding of the background and methods for the regular execution of TCFD and TNFD scenario analysis, mainly for departments primarily targeted by those frameworks.

In FYE 2025, we invited Ms. Aya Nagata, Director of the Biodiversity Mainstreaming Office at the Nature Conservation Bureau of the Ministry of the Environment, to give a lecture on the international biodiversity framework and Japan's strategy for transitioning to a nature-positive economy, along with specific corporate examples. On the day of the event, over 100 employees gathered, and it provided an excellent opportunity to listen to systematic discussions while considering how their respective responsibilities relate to natural capital.

FYE 2025	The Importance of Considering and Coexisting with Natural Capital in Business
FYE 2024	Training on Biodiversity (basic, practical)
	Briefing for TCFD and Scenario Analysis
FYE 2023	Method of Calculating Scope3 Emissions in the ITOCHU Group
FYE 2022	When and Where Does CO_2 Occur? Life Cycle Assessment (LCA) Study Session
FYE 2019	Business and Human Rights (in the Supply Chain)



Ms. Nagata from Ministry of the Environment

Sustainability Trainings

We engage in various sustainability trainings for ITOCHU personnel so as to promote sustainability awareness within our Group. We strive to raise awareness of the environment, human rights, and other aspects of sustainability that must be understood according to each business domain and responsibility.

Training Title	Applicable Employees	Training Details	Participants in FYE 2025
Group ESG Managers Conference	Group ESG managers	Basic knowledge and explanation of work duties for ITOCHU Group ESG promotion supervisors	70
Training New Recruits	New employees	ITOCHU Group sustainability promotion	157
Training for Newly Appointed Section Managers	New Section Managers	Examples of businesses which promote the ITOCHU Group sustainability and which balance social issues and business feasibility	58
Training in Preparation for Overseas Assignments	Employees designated for overseas assignment	Points of caution related to ITOCHU Group sustainability and promoting sustainability overseas	180
Training for Group Executive Officers	Group executive officers	ITOCHU Group sustainability and importance of Group alliances	87
Sustainability Survey Workshop	Employees conducting sustainability surveys	Important items in the Sustainability Action Guidelines for Supply Chains and sustainability surveys	67

Strategies

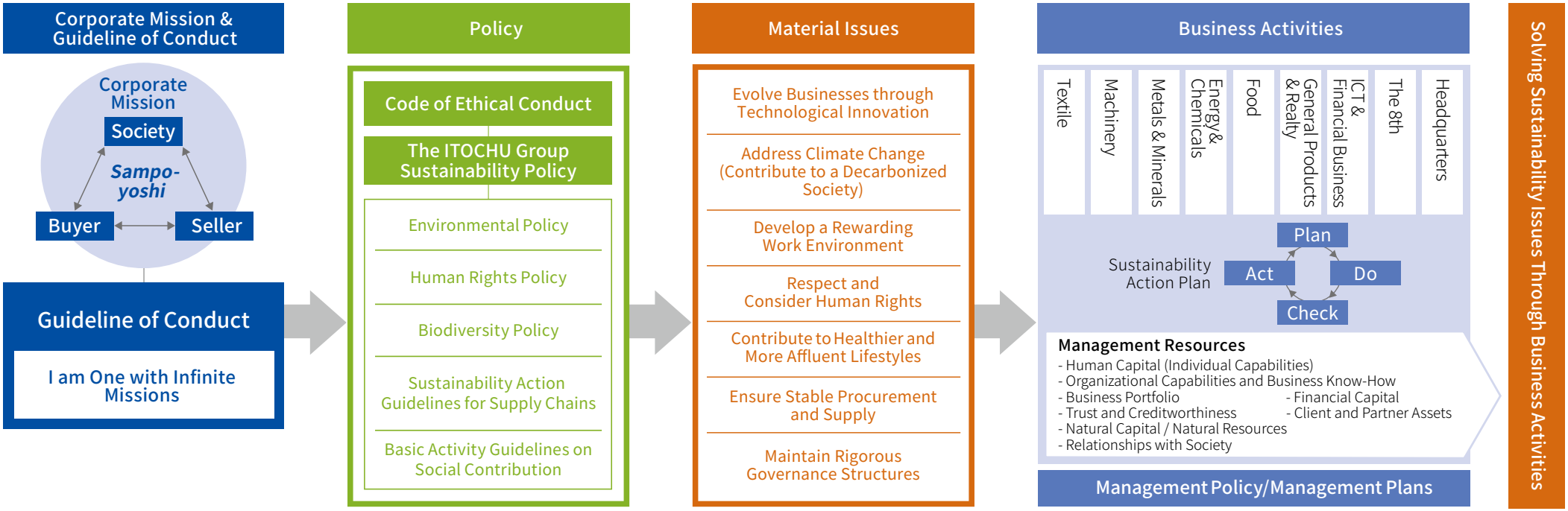
Flow of Sustainability Promotion

ITOCHU Group has established the ITOCHU Group Sustainability Policy based on its corporate mission and changes in the external environment. We work to promote initiatives that contribute to sustainability in a structured and systematic manner. Specifically, we incorporate the Group's Material Issues into the Sustainability Action Plans, and we aim to help resolve key sustainability challenges through trading and business investments based on the policies set out in our management policy and management plan.

Through our Sustainability Action Plans, we manage key challenges to be addressed, risks and opportunities, target business areas, specific approaches, key performance indicators, and the status of progress toward them every year. We conduct progress reviews based on the key performance indicators set for each of the eight division companies and for administrative divisions, and report this progress to the Sustainability Committee every year. We implement the PDCA cycle and disclose this information to ensure that progress on Material Issues continues.

Please refer to the ITOCHU Group Sustainability Policy (P12) for details.

■ **Flow of Sustainability Promotion**



Strategies

Risks, Opportunities, and Impacts for Each Material Issue

Our company bases its approach on the GRI Standards and SASB Standards, international disclosure frameworks, while also referencing the detailed reporting standards of the CSRD (Corporate Sustainability Reporting Directive in Europe), the ESRS framework, and Japan's SSBJ (Sustainability Standards Board of Japan) disclosure standards based on IFRS's ISSB. We evaluate risks and opportunities posed by environmental and social changes to our business, as well as the impact our company has on society, using a dual-axis approach of likelihood and magnitude. By reviewing these aspects through consultation with external experts as needed, and through biannual Consolidated Risk Management Reviews, we are engaged in the development of new strategies and risk management plans aligned with our management policies.

The risks and opportunities that are considered to impact our business due to environmental and social changes are as follows.

Material Issues	Risks	Opportunities
Evolve Businesses through Technological Innovation	• Obsolescence of existing business models resulting from the emergence of new technologies, such as IoT and AI. • Labor shortage in developed countries, loss of excellent human resources in businesses in which efficiency improvement is delayed.	• Creation of new markets and provision of innovative services. • Utilizing new technologies for optimizing human resources and logistics, increasing competitiveness by promoting work style reform.
Address Climate Change (Contribute to a Decarbonized Society)	**Transition Risk** • Reduction in demand for fossil fuels due to business restrictions on greenhouse gas emissions, Decline in the value of related assets, and increased costs due to carbon taxes and the use of renewable energy. **Physical Risk** • Increased costs for protecting ecosystem, damage to business due to the increase in abnormal weather (e.g., droughts, flooding, typhoons and hurricanes).	• Increase in renewable energy and other business opportunities which will contribute to alleviating climate change. • Retention and acquisition of customers by strengthening supply structures that can adapt to abnormal weather.
Develop a Rewarding Work Environment	• Accumulation of dissatisfaction among employees due to the obstruction of collective bargaining rights and the right to unionize, leading to decreased labor productivity and an increased risk of litigation. • Lack of performance-based evaluation and compensation causing missed business opportunities resulted by loss of excellent human resources, Increase in health-related expenses accompanied by health damage and human rights violations due to excessive work, and Occurrence of reputation risk.	• Improvement of labor productivity, health and motivation resulting from the establishment of a rewarding work environment and the provision of opportunities for skill enhancement. • Establishing a workplace in which diverse talent can thrive and securing of excellent human resources, Enhanced capability of responding to changes in circumstances and business opportunities.
Respect and Consider Human Rights	• Business delay or business continuity risk resulting from the occurrence of a human rights problem in workers and stakeholders along the value chain. • Business instability and decline in our credibility that may result from human rights violations in the social infrastructure services we provide.	• Stabilization of business or securing of excellent human resources resulting from harmonious coexistence with local communities. • Increasing productivity by the consideration of human rights and improvement of work environment in the supply chain. • Establishment of safe, stable supply system for products.
Contribute to Healthier and More Affluent Lifestyles	• Decline in credibility that would result from the occurrence of consumers and service users' safety or health issues. • Impact on business of destabilization of the market or social security system based on policy change.	• Increase in demand for food safety, security and health improvement. • Expansion of information, financial and logistics services resulting from an increase in consumer spending or penetration of the internet.
Ensure Stable Procurement and Supply	• Impact of opposition movement resulting from the occurrence of an environmental problem and worsening relationship with local communities. • Decreased sustainable procurement and supply capability due to changes in the local ecosystem of business activities. • Decline in procurement and supply capabilities due to inflation triggered by geopolitical factors and currency fluctuations.	• Increase in resource demand attributed to an increase in population and improvement of living standard in emerging countries. • Winning customer trust or creating new businesses with stable supply of sustainable resources and materials, taking ecological considerations into account.
Maintain Rigorous Governance Structures	• Occurrence of business continuity risk or unexpected loss resulting from the malfunction of corporate governance, violation of laws and regulations or internal control.	• Improvement of transparency in decision-making, appropriate response to changes and establishment of a stable basis of growth enabled by the establishment of a firm governance system.

Strategies

Risks, Opportunities, and Impacts for Each Material Issue

The impacts that our company is believed to have on society due to environmental and social changes are as follows.

Material Issus	Impact Classification	Impact Description
Evolve Businesses through Technological Innovation	Innovation	● Promote DX, and improve productivity and operational efficiency of the entire industry. ● Leverage new technologies (such as Fintech, IoT, AI, and remote technology, etc.) and business models, and promote the creation of new businesses and the provision of innovative services utilizing consumer contact points.
Address Climate Change (Contribute to a Decarbonized Society)	GHG Emissions	● Comply with the Japanese government's target, achieve "virtually zero" GHG emissions by 2050. Furthermore, aim for "zero offset" by 2040 through the active promotion of businesses that reduce emissions, and contribute to reducing the impact of climate change.
	Climate Change Opportunities	● Promote integrated projects including the development, operation, and fuel supply of ammonia-fueled vessels, and contribute to net zero emissions of GHGs in the marine and shipping sectors. ● Develop, own, and operate renewable energy power plants so as to realize a stable supply of renewable energy, and contribute to mitigating the effect of climate change. ● Provide a stable supply of AI storage batteries that help optimize the balance of power supply in household regions and contribute to mitigating the effect of climate change. ● Promote sales of electric vehicles (EVs) and hybrid vehicles (HVs), and contribute to global warming countermeasures in the transportation sector. ● Promote environmentally friendly energy use in regional heat supply, and contribute to mitigating the effect of climate change.
	Climate Change Adaptation	● Diversify origin and development of local industries so as to hedge weather risks, and reduce the impact of extreme weather and global warming in food, forestry sectors.
	Transition Risk	● Promote efforts to completely withdraw from fuel coal mine interests, and contribute to mitigating the effect of climate change. ● Work with specialized companies on resource development projects that take into account GHG reduction (Transition Fuel), and contribute to mitigating the effect of climate change.
	Capital Introduction	● Continue to invest in the development of technologies that contribute to the reduction of greenhouse gas emissions, such as CCS (CO_2 storage) and CCU (CO_2 utilization), and contribute to mitigating the effect of climate change. ● Promote businesses related to the stable supply of materials necessary for the production and supply of fuels such as hydrogen and ammonia, raw materials such as nickel and PGM, and storage batteries, and contribute to mitigating the effects of climate change. ● Expand the use of sustainable by-products as an alternative to cement, which is indispensable for civil engineering and construction, and contribute to mitigating the effect of climate change.
	Pollution Prevention and Resource Recycling	● Work with local specialized companies in Europe and the Middle East, promote waste disposal and waste power generation projects, and contribute to mitigating the effect of climate change.
	Water Resources	● Work with local specialized companies mainly in Europe and the Middle East, promote water treatment business, and promote effective use of water resources and contribute to reducing the environmental impact.
Develop a Rewarding Work Environment	Labor Practices	● Prohibit all forms of discrimination, create an environment in which employees with childcare, nursing care, or illness can also play an active role, and support the activities of diverse human resources. ● Enhance occupational health services and health & safety management system, and promote employees' health and safety. ● Penetrate labor standards, work style reform, enhancing employee benefits, and promote improvement of labor productivity and employee engagement. ● Develop training programs for all levels from a global perspective, develop and utilize personnel systems based on management by objectives, and promote the development of excellent human resources.
Respect and Consider Human Rights	Labor Practices	● Establish and conduct fair recruitment, harassment prevention, human rights training, and grievance hotlines, and reduce the negative impact on human rights.
	Mining	● Give full consideration to the environment, health and occupational safety (EHS) and coexistence with local residents, and promote sustainable mining operations. ● Contribute to medical care and education for local communities in the areas where we operate our mines.
	Forest	● Improve value chain transparency in the procurement of raw materials for wood, palm oil, natural rubber, food, etc., and prevent negative impacts on forests, the environment and local residents.
	Value Chain	● Continuously conduct surveys on human rights, society, and the environment of new businesses, business investments and major suppliers, and reduce direct and indirect negative impacts of human rights, society and the environment throughout the value chain. ● Conduct human rights due diligence, and reduce negative human rights, society and environment throughout the value chain.
	Community Contribution	● Promote social contribution activities for local communities and realize a symbiotic community where sports and cultural exchange are possible.

Strategies

Risks, Opportunities, and Impacts for Each Material Issue

Material Issus	Impact Classification	Impact Description
Contribute to Healthier and More Affluent Lifestyles	Food Safety	● Select and concentrate on suppliers to ensure stable procurement of safe and secure food products, and provide safe products to our customers. ● Work with suppliers, provide products with food information and nutritional balance, and contribute to the promotion of people's health.
	Medical Health	● Provide advanced medical equipment and advanced medical services, develop safe pharmaceuticals and other product, and contribute to the improvement of people's health.
	Retail Finance	● Expand financial services that support people who need financing for their daily lives and business continuity (low-income people, etc.), and contribute to a healthy and prosperous life.
Ensure Stable Procurement and Supply	Forest	● Increase value chain transparency in the procurement of raw materials for wood, palm oil, natural rubber, food, fiber, etc., and prevent negative impacts on forests, the environment and local residents.
	Plastic	● Work with brand owners, supply environmental-friendly materials such as bioplastics, establish recycling and reuse programs, and contribute to solving social problems such as marine plastics and waste plastics.
	Electric Power, Mining, Oil and Gas Fields	● Identify and reduce impacts on biodiversity through ESG risk assessment in investment projects (electric power, mines, oil and gas fields, etc.).
	Stable Supply of Resources	● Diversify production areas to hedge weather risks, cultivate new production areas through the development of local industries, and contribute to the stable supply of agricultural products. ● Work with key partners, maintain a value chain of mining resources and next-generation fuels (hydrogen and ammonia) that reinforces existing achievements, and contribute to the stable supply of resources.
	Value Chain	● Strengthen communication on the respect for human rights and environmental management with stakeholder along value chains and prevent direct and indirect negative impacts on the economy, environment, and people. ● Further expand and increase the handling of sustainable materials, and contribute to the stable supply of textile products.
	Pollution Prevention and Resource Recycling	● Contribute to the promotion of the effective use of resources and the reduction of adverse environmental impact in our own offices and business activities such as waste disposal and food. ● Comply with relevant chemicals laws and regulations, and minimize the adverse effects on human health, the environment and the stable supply of chemicals.
	Water Resources	● Promote the efficient use of water in our own offices and business activities, promote water treatment projects in water-stressed areas, and contribute to the promotion of effective use of water resources and reduction of environmental impact.
Maintain Rigorous Governance Structures	Governance	● Provide highly effective supervision of management, increase the transparency of decision-making, ensure appropriate and efficient business execution, and meet the expectations of our stakeholders through sustainable growth. ● Establish a group risk management system, maintain continuous performance, and meet the expectations of our stakeholders. ● Further foster awareness among employees that compliance at all times constitutes a contribution to the company and society, and mitigate adverse impacts on the economy (competition practices, procurement practices, etc.

Management of Sustainability-related Risks

Integration into the Enterprise Risk Management System

ITOCHU Group recognizes that risk management is an important management priority. Accordingly, we have established a basic policy for risk management at the Group with reference to the COSO-ERM framework, and developed the enterprise risk management systems and methodologies. We recognize factors that may have a major future impact on our financial situation and performance as key risks. To deal with these key risks, we have established a variety of in-house committees and responsible divisions. At the same time, we have set up the necessary risks management structures and management methods. For example, we have set up various management rules, investment criteria, risk exposure limits and transaction limits, and reporting and monitoring structures. We then manage risks and opportunities individually and on a companywide basis.

ITOCHU conducts reviews of key risks across the organization every half-year. From the results, we recognize that sustainability-related risks span a wide range, including governance, compliance, information security, labor management, human resources, and environmental and social issues. Each responsible division takes the lead in formulating internal management systems and monitoring these risks. The results are appropriately reported and monitored in accordance with the governance processes of company-wide risk management, striving to enhance risk management.

Please refer to the “Governance>Risk Management (P228)” for details.

Sustainability-related Risks and Opportunities

Evaluation of Sustainability-related Risks and Opportunities

We gather information on a regular basis regarding regulatory and other trends related to sustainability, including climate change, natural capital, supply chain issues, and human rights, as well as sustainability-related risks and opportunities impacting our business operations throughout the world. Based on this information, the sales department and certain administrative divisions quantitatively assess risks and opportunities related to the environmental, social, and governance themes listed below, using evaluation indicators such as the frequency and severity of risks and the scope of operations/activities. We visualize the impact from both the perspective of societal impact and the impact on ITOCHU Group, thereby identifying particularly important risks and opportunities.

■ **Internal Risk Management System Concerning Major Environmental and Social Risks**

Area	Environment	Society
Theme	Climate Change Pollution Resource Circulation Water Resources Biodiversity	Human Capital Occupational Safety Respect the Human Rights Responsibilities to Customers Supply Chains
Business Investment	● New Investment Targets: ESG Checklist Related to Investments ● Group Companies: Monitor Reviews (Environmental and Social Risks)	
Trading	● New Products: Sustainability Impact Assessments on Products ● New Business Partners: Sustainability Action Guidelines ● Existing Business Partners: Sustainability Surveys	
Specific Topics	Climate Change TCFD	Natural Capital TNFD Respect the Human Rights Human Rights Due Diligence

Management of Sustainability-related Risks and Opportunities

ITOCHU Group, under the governance of the enterprise risk management system, we manage sustainability-related risks and opportunities associated with business operations as follows.

Business Investment

ITOCHU assesses the social and environmental impact of its business investment projects and the governance status of the investment targets in advance using the “ESG Checklist for Investments.” Subsequently, at each business segment’s DMC (Division Company Management Committee), we deliberate on investments, loans, guarantees, and businesses management that may affect Company’s management policies and management. These decisions are made by the company president. After investments, we conduct an annual monitoring review of the group companies.

Trading

When we handle new groups of products in trade, we investigate significant environmental and social risks and impacts through LCA (Life Cycle Assessment) analysis methods and establish a system and monitoring mechanism to comply with appropriate legal regulations. For new business partners, we notify them of our Sustainability Action Guidelines and seek their understanding of our ESG approach. For major business partners, we annually assess their ESG compliance through a sustainability survey. If there are concerns, we conduct detailed checks through face-to-face meetings or on-site visits and take necessary measures.

Other Management on Thematic Basis

We analyze the impact of environmental changes on business and the effectiveness of countermeasures in accordance with the TCFD framework for climate change and the TNFD framework for natural capital. We also engage in human rights due diligence by conducting on-site investigations with suppliers and Group companies to ensure that we are not complicit in human rights violations.

Operational-level Risk Management System

We on Group basis, delegates authority to its operating segments in order to enable swift decision-making and to manage sustainability-related risks and opportunities associated with their business operations. DMC, which serves as an advisory body to the Division Company President of each operating segment, who hold responsibility for overseeing the management and business activities of their respective companies, annually reviews business risks and opportunities, including those related to environmental, social and other sustainability-related issues, and formulates the plan that sets out a range of measures including risk management and business priorities. The plan for each operating segment is submitted to the HMC (Headquarters Management Committee) and/or to the Board of Directors, which serves as the Group’s supervisory body, and is approved by the Board of Directors following a final comprehensive analysis and deliberation from a sustainability perspective.

Metrics and Targets

Sustainability Action Plans

As an internal mechanism to promote and monitor initiatives related to identified materiality, we annually create and review Sustainability Action Plans for each business sector. For each business area, we extract important "sustainability challenges," "risks," and "opportunities" for each company and formulate Sustainability Action Plans that define medium- to long-term "commitments," "response approaches" and "performance indicators" to achieve them. Each target department conducts an annual review of the Sustainability Action Plan according to the PDCA cycle system.

In addition, each unit—headquarters administrative divisions, domestic branches and offices, overseas locations, etc.—formulates a Sustainability Action Plan according to its business and function, the goal being to further entrench the foundations supporting business activities.

For the top four material issues that are of high importance to us, we have set mid- to long-term numerical targets for the entire company and are managing their progress.

Evolve Businesses through Technological Innovation

Mid-to Long-term Targets

ITOCHU Group creates avoided emissions that exceeds its GHG emissions by 2040 and achieve "offset zero".

Background on Setting the Targets for This Material Issues

As technological innovation progresses, the development and diffusion of cleantech businesses, as well as efforts to contribute to environmentally friendly design of products and services and resource recycling, and work efficiency improvement through AI and DX are expected. As an indicator of the evolution of business, we have set the creation of GHG's avoided emissions, which is an urgent issue.

Results

Created avoided emissions

- FYE 2025: 9.7 million t-CO_2e
- FYE 2023: 6.4 million t-CO_2e
- FYE 2019: 1 million t-CO_2e

Evolve Businesses through Technological Innovation

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Textile Company		Innovation	Improving and increasing the efficiency of business processes	Textile products in general	We will strive to sustain and improve the textile industry by promoting the digital transformation of our entire group.	Contribute to an increase in the efficiency of business processes, the optimization of inventory and the strengthening of customer relationship management in group companies by building a system to utilize IT and data.	Promote the digital transformation of group companies and then aim to increase profits, improve the efficiency of business, cut costs and reduce inventory/ disposal losses by utilizing IT and data.	• The use of generative AI has grown rapidly in FYE 2025. Currently, over 500 employees in the Textile Company and its subsidiaries are using Google's generative AI for business purposes alongside utilizing I-Colleague, which is an in-house AI of ITOCHU Corporation. Through efforts to integrate AI into daily operations and the implementation of AI web applications, more than half of AI users have confirmed an improvement in work efficiency. We will continue to utilize AI in more advanced business operations across a wide range of fields. • Dome and EDWIN outlets have implemented an AI-based inventory optimization system. By efficiently managing inventory transfers between stores, it prevents stockouts and lost sales while reducing overall inventory levels, thus enhancing inventory efficiency. At Dome, 70% of inter-store transferred items were successfully sold, indicating that the proper number of items was not always delivered from the warehouse to the stores. At Edwin, the system was also used to set appropriate discount prices and timing, resulting in a 10-point increase in sell-through rate and higher gross profit during the Fall/Winter 2024 season.
Machinery Company		• Climate Change Opportunities • Innovation	• Taking countermeasures against climate change • Next-generation business development	Ships/Shipping field	We will contribute to decarbonization in the shipping and maritime sectors through the promotion of an *integrated project* encompassing the development, ownership and operation of ammonia-fueled ships, the development of fuel supply chains, and fuel procurement.	In addition to the joint development of ammonia-fueled vessels with the Japanese consortium and the ownership and operation of these vessels, ITOCHU will take the lead in the development of supply chain of an ammonia bunkering and fuel procurement, aiming for early materialization of the pilot project.	After 2027, promote the spread of ammonia-fueled vessels and the establishment of a supply chains to contribute to the decarbonization of the maritime industry.	• To contribute to decarbonization in the shipping sector, we are developing an integrated project aimed at: (i) developing ammonia-fueled vessels, (ii) owning and operating ammonia-fueled vessels, (iii) establishing fuel supply chains, and (iv) procuring/producing clean ammonia. • Test operation of first commercialized engine (for ammonia fueled large bulk carrier as our pilot project) with ammonia as a fuel was started from February 2025 at engine maker in Japan. Once the engine development progresses to a certain extent, discussions with relevant parties will be accelerated towards the order of the ship. • Selected by the Singapore government as a potential bunkering operator in July 2024. Discussions, including the ordering of bunkering vessels, are ongoing towards the establishment of a bunkering business in the country. And the bunkering business in Spain is being promoted in collaboration with Peninsula Petroleum. • In August 2024, the green ammonia production project utilizing existing ammonia facilities in Indonesia, jointly promoted with PUPUK Indonesia and Toyo Engineering, was selected as a target project for the Global South subsidy. Following the execution of the Front-End Engineering Design (FEED), discussions with relevant parties are ongoing towards the investment decision in FYE 2026.

Metrics and Targets

Evolve Businesses through Technological Innovation

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Machinery Company	13	• Climate Change Opportunities • Innovation	• Taking countermeasures against climate change • Next-generation business development	Sales of passenger cars and commercial vehicles	We will achieve the eco-friendly mobility society by strengthening businesses of electric vehicles (EVs), hybrid vehicles (HVs), vehicles with a reduced environmental impact, and those related.	Contribute to spread of eco-friendly vehicles by increasing business of eco-friendly and high-efficiency products, such as EVs, HVs, vehicles with a reduced environmental impact, and related parts.	Expand sales of eco-friendly products in response to the expanded lineup of EVs, HVs, vehicles with a reduced environmental impact, and similar vehicles from automakers as our business partners.	• As a partner in EVision, Isuzu's total solution program for EVs, we have expanded our efforts to promote commercial EVs. In collaboration with iGRID Solutions Inc., we initiated a demonstration project in October 2024 to integrate EV operations with facility energy management. • In the Ministry of the Environment's commissioned project, Demonstration Project for Sector Coupling through the Combination of Battery Swapping EV Development and Renewable Energy Utilization, we achieved over 45,000km of cumulative deliveries. (25,000km increased compared to the previous year) As planned, the delivery demonstration operation concluded in December 2024. And we conducted an examination of the business model aimed at promoting the widespread adoption of EV trucks by eliminating charging time constraints through battery swapping.
Metals & Minerals Company	7, 13	• Climate Change Opportunities • Capital Introduction • Innovation	• Taking countermeasures against climate change • Next-generation business development	• Resource recycling business • Mining business • Environmental business • Materials-related business	• We will realize stable resource supply as our social mission and responsibility while fully considering its environmental impact. • We will contribute to climate change issues through businesses that help to reduce greenhouse gases (e.g., lighter-weight vehicles and electric vehicles (EVs)) and the stable supply of essential materials.	• Take the lead in developing recycling-orientated business. • Promote initiatives for the social implementation of hydrogen and ammonia, etc. as resources and raw materials that contribute to the decarbonization in client industries (e.g. steel and power). • Promote businesses to contribute to the stable supply of nickel, PGM and other materials necessary in the manufacture and supply of hydrogen, green materials and energy, and storage batteries. • Continue to be involved in the development of technologies that contribute to the reduction of greenhouse gas emissions, including technologies for carbon dioxide capture and storage (CCS) and carbon dioxide capture and utilization (CCU). • Promote initiatives to completely withdraw from thermal coal mine interests while continuing to realize stable resource supply as our social mission and responsibility through trading in regards to our coal business. • Implementation and expansion of businesses that contribute to developing lighter-weight vehicles and shifting to EVs (e.g., aluminum and copper).	• Promote recycling-orientated business. • Promote initiatives for the social implementation of hydrogen and ammonia, etc. as resources and raw materials that contribute to the decarbonization in client industries (e.g., steel and power). • Promote examination toward technological development and commercialization to contribute to a reduction in greenhouse gas emissions, including hydrogen, green material and energy production, and carbon dioxide capture and storage (CCS) and carbon dioxide capture and utilization (CCU). • Strive to withdraw from thermal coal mine interests. • Realize initiatives in businesses that contribute to developing lighter-weight vehicles and shifting to EVs (e.g., aluminum and copper).	• Together with JFE Steel, UAE's largest steelmaker EMSTEEL, and others, we have promoted detailed feasibility studies for the establishment of a supply chain of ferrous raw material for green ironmaking with low carbon emission, which contribute to the decarbonization of the steel industry. In May 2024, we signed a Memorandum of Understanding with CSN Mineração S.A. [CM] in our Iron Ore Business in Brazil and NEXI concerning the decarbonization of the steel industry, which includes utilizing high-grade iron ore produced by CM. • We are contributing to the effective utilization of limited resources and the supply of environmental materials by promoting 3R+W (reduce / reuse / recycle + waste management). Specifically, we are steadily promoting initiatives in venous industries. This includes the reuse and recycling of store facilities and fixtures, the expansion and increase in sophistication of metal scrap and waste treatment through the use of a nationwide network of recycling companies. • We have invested in Everfuel of Denmark, who conducts the design, EPC, and operation of green hydrogen production facilities, distribution assets, and operation of hydrogen stations by using water electrolysis equipment, as well as the sale of hydrogen. In February 2025, we have commenced the first commercial production of green hydrogen, promoting the establishment of a locally-produced and consumed green hydrogen value chain. • We are promoting the Platreef project and others in the PGM (platinum group metals)/nickel business where demand is expected to grow significantly due to the worldwide spread of electric vehicles and fuel cell vehicles, and also expanding trade activities of such materials. • We have an investment into Australia-based MCi, who possesses mineral carbonation technologies. We are promoting their technology for the market. In December 2024, we have completed the construction of the first demonstration plant capable of processing multiple raw materials such as waste concrete and steel slag to produce carbonates. In January 2025, we have signed a memorandum of understanding with Mitsubishi UBE Cement Corporation to promote the construction of manufacturing plants and the establishment of a supply chain for raw material procurement and sales. • Agreement was signed with KOKO Networks, a Climate Technology Company Operating in Kenya, to support the generation of high quality carbon credits. In 2024, the first credits from our project with KOKO have been produced, and joint sales have been promoted. • Steadily promoted aluminum trade business that contributes to automobile weight reduction and electrification. We have traded approx. 500,000 tons in FYE 2025, and promoted sales of environmentally friendly raw materials for aluminum. • We decided to withdraw from thermal coal mine interests with a perspective of strengthening contribution and initiatives to SDGs. We already divested our Drummond mine interests in Colombia that had accounted for the majority of the ITOCHU's thermal coal interests and also divested Ravensworth North coal mine interests in Australia producing both thermal and coking coal.
Metals & Minerals Company	9	Innovation	Development of DX-related businesses	• Mining business • Resource-related business • Logistics business	We will contribute to improving business efficiency and eliminating concerns about skilled worker availability while fully considering the health and safety of on-site employees.	• Promote an increase in efficiency of mine operations and facility management utilizing digital transformation. • Promote conversion to the automatic operation of mining equipment such as underground mining equipment and dump trucks.	Promote initiatives that contribute to an improvement in the health and safety of employees at operation sites and in the overall business efficiency.	• We signed a memorandum to collaborate in decarbonization and digital transformation with Companhia Siderúrgica Nacional [CSN] and started demonstration experiment with the aim of contributing to increased safety, operational efficiency, and decarbonization at the iron ore mine (Casa de Pedra [CdP] Mine) that we have invested and CSN steel work. • It began the full-scale operation of GE Digital's operation and asset management software at the CdP Mine, improving the plant's actual yield rate. We are currently considering to apply of the system at other operational sites and other regions.

Metrics and Targets

Evolve Businesses through Technological Innovation

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Food Company		Innovation	Next-generation business development	Overall food-related businesses	• We will aim to improve productivity and increase business efficiency in the overall food-related field by promoting systemization of RPA and AI. • We will aim to create innovative services and new business by integrating resources and new technologies of the ITOCHU Group.	• We will aim to improve productivity and increase business efficiency by introducing and utilizing new systems and new technologies focused on the food distribution field. • We will create unique new value by combining the wide ranging product lineup, functions and expertise of our group based on retail customer needs.	• Status of promoting business reform in the food-related field with the introduction of AI, RPA and other systems. • Status of promoting the development of new products and services through the food wholesale business developed by the ITOCHU Group.	Continued to promote collaborative efforts with specific retail, wholesale, and manufacturing companies on the theme of "improving logistics efficiency by optimizing the value chain." In particular, we will focus on building services that contribute to improving retail store operations and logistics efficiency.
ICT & Financial Business Company		Innovation	Maintenance of industrial, logistics, and transportation infrastructure	ICT infrastructure development business	We will contribute to realize safe, secure, and highly convenient social infrastructure through providing various ICT solutions.	Maximize the added value of our ICT solutions by continuously sourcing new products and services.	• Increase the number of partnerships. • Development and introduction of new services and businesses related to "Sustainability Transformation" and "Green Transformation".	• Signed reseller agreements with 2 new vendors. • Provide services and solutions that enhance the efficiency and flexibility of network operations and the utilization of data. • With the aim of creating new businesses in the domains of "Sustainability Transformation" and "Green Transformation," the company offers ERP solutions to support corporate sustainability management, ranging from the collection and analysis of corporate ESG data to the preparation of disclosure reports, while also providing support for the disclosure of non-financial information and consulting services to reduce CO_2 emissions. • We are committed to further expand business to contribute to the realization of a safe, secure, and convenient social infrastructure.
The 8th Company		Innovation	Next-generation business development	Consumer related business	We will aim to create innovative services and new business by integrating assets and new technologies of the ITOCHU Group.	Increase contact with consumers by promoting the retail business in our initiatives to understand consumer behaviors, and combine the wide range of products, functions, and expertise of the Group to create unique new value that will be profitable for consumers and communal society.	Aim to develop new businesses and cultivate new customers by taking full advantage of the business foundations possessed by the ITOCHU Group.	• In January 2020, a capital and business alliance was concluded with Cougar Corporation, which develops virtual AI assistants with advanced recognition technology. By leveraging the company's technology, an AI model was developed to support store manager operations at FamilyMart (FM) stores. As of the end of March 2025, approximately 7,000 stores (about 1.4 times the number compared to the same month of the previous year) and, with the integration of generative AI, its communication functions have been further enhanced. The speedy responses of the virtual AI assistant—including voice search function of operation manuals—aim to further reduce the operational tasks at stores. • In October 2020, FM, NTT Docomo, and CyberAgent jointly established Data One Corp., an advertising distribution company. The company features a new form of digital advertising based on actual purchase data from physical stores, with the unique ability to carry out purchase effect verification seamlessly. Possessing over 40 million advertising IDs, the largest scale in the country, it is also promoting the enhancement of customer purchasing experiences and the efficiency of digital marketing by deploying digital advertising that crosses various distribution channels, utilizing actual purchase data from other retailers. • In September 2021, FM established Gate One Corp., a media business company specializing in digital signage. Large-scale digital signage has been installed inside FM stores, transforming them into media outlets. As of the end of March 2025, signage is installed in about 10,200 stores, establishing the largest retail media network in the country that reaches approximately 64 million people in one week. Furthermore, the company is strengthening its distribution of beneficial content—such as regional awareness videos tailored to each prefecture—to local residents and visitors, aiming to provide customers with an unprecedented in-store experience.

Metrics and Targets

Address Climate Change (Contribute to a Decarbonized Society)

Mid-to Long-term Targets

ITOCHU Group achieve 75% GHG reduction from 2018 levels by 2040 and achieve net zero GHG emissions by 2050.

Background on Setting the Targets for This Material Issues

In support of the Paris Agreement and Japanese government targets, the ITOCHU Group set a target to reduce GHG emissions in Scope 1/2/3 and promote initiatives such as complete withdrawal from thermal coal mining interests and clean-tech business.

Results

	FYE 2019	FYE 2024	FYE 2025
Scope 1/2/3 total	4,161 thousand t-CO_2e	3,923 thousand t-CO_2e	4,139 thousand t-CO_2e
Reduction rate compared to FYE 2019	-	5.7%	0.53%

* The above figure is the sum of Scope 1/2/3 disclosed in ESG data.

Address Climate Change (Contribute to a Decarbonized Society): Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Machinery Company		Climate Change Opportunities	Taking countermeasures against climate change	Overall power generation business	We will develop power plants with a good balance between renewable energy power generation and conventional power generation, thereby contributing to the development of countries and regions in a sustainable manner that is optimized for each.	Pursue opportunities to invest aggressively in renewable energy power generation through analyses of countries and regions.	FYE 2031: Target to achieve a renewable energy ratio more than 20% (equity interest basis) and reflect this to the future strategy.	• Tyr Energy Development Renewables, a renewable energy development company established in FYE 2023, is currently developing 25 assets with a capacity of 5GW of solar power in the United States. • The U.S. wholly owned subsidiary, NAES Corporation, the world's largest independent power plant operation and maintenance service company, provides asset management and operation & maintenance services for approximately 1,400 sites, including 2GW of solar power plants and 1.1 GW of wind power plants in the renewable energy sector. • In June 2023, the US renewable fund was established. Through the fund, the first investment was made in a wind power plant in February 2024. Additionally, in September 2024, the second investment into solar and battery energy storage assets was agreed. • As of March 2025, the ratio of renewable energy based on generation capacity share is 18.7%. (1.6% increased compared to the previous year)
Machinery Company		• Climate Change Opportunities • Innovation	• Taking countermeasures against climate change • Next-generation business development	Ships/Shipping field	We will contribute to decarbonization in the shipping and maritime sectors through the promotion of an integrated project encompassing the development, ownership and operation of ammonia-fueled ships, the development of fuel supply chains, and fuel procurement.	In addition to the joint development of ammonia-fueled vessels with the Japanese consortium and the ownership and operation of these vessels, ITOCHU will take the lead in the development of supply chain of an ammonia bunkering and fuel procurement, aiming for early materialization of the pilot project.	After 2027, promote the spread of ammonia-fueled vessels and the establishment of a supply chains to contribute to the decarbonization of the maritime industry.	• To contribute to decarbonization in the shipping sector, we are developing an integrated project aimed at: (i) developing ammonia-fueled vessels, (ii) owning and operating ammonia-fueled vessels, (iii) establishing fuel supply chains, and (iv) procuring/producing clean ammonia. • Test operation of first commercialized engine (for ammonia fueled large bulk carrier as our pilot project) with ammonia as a fuel was started from February 2025 at engine maker in Japan. Once the engine development progresses to a certain extent, discussions with relevant parties will be accelerated towards the order of the ship. • Selected by the Singapore government as a potential bunkering operator in July 2024. Discussions, including the ordering of bunkering vessels, are ongoing towards the establishment of a bunkering business in the country. And the bunkering business in Spain is being promoted in collaboration with Peninsula Petroleum. • In August 2024, the green ammonia production project utilizing existing ammonia facilities in Indonesia, jointly promoted with PUPUK Indonesia and Toyo Engineering, was selected as a target project for the Global South subsidy. Following the execution of the Front-End Engineering Design (FEED), discussions with relevant parties are ongoing towards the investment decision in FYE 2026.
Machinery Company		• Climate Change Opportunities • Innovation	• Taking countermeasures against climate change • Next-generation business development	Sales of passenger cars and commercial vehicles	We will achieve the eco-friendly mobility society by strengthening businesses of electric vehicles (EVs), hybrid vehicles (HVs), vehicles with a reduced environmental impact, and those related.	Contribute to spread of eco-friendly vehicles by increasing business of eco-friendly and high-efficiency products, such as EVs, HVs, vehicles with a reduced environmental impact, and related parts.	Expand sales of eco-friendly products in response to the expanded lineup of EVs, HVs, vehicles with a reduced environmental impact, and similar vehicles from automakers as our business partners.	• As a partner in EVision, Isuzu's total solution program for EVs, we have expanded our efforts to promote commercial EVs. In collaboration with iGRID Solutions Inc., we initiated a demonstration project in October 2024 to integrate EV operations with facility energy management. • In the Ministry of the Environment's commissioned project, Demonstration Project for Sector Coupling through the Combination of Battery Swapping EV Development and Renewable Energy Utilization, we achieved over 45,000km of cumulative deliveries. (25,000km increased compared to the previous year) As planned, the delivery demonstration operation concluded in December 2024. And we conducted an examination of the business model aimed at promoting the widespread adoption of EV trucks by eliminating charging time constraints through battery swapping.

Metrics and Targets

Address Climate Change (Contribute to a Decarbonized Society): Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Machinery Company	6, 12	• Water Resources • Pollution Prevention and Resource Recycling	Improving water and sanitation infrastructures	Water and environmental projects	We will contribute to improve the sanitary conditions, the development of economic activities, and the protection of the global environment through the appropriate treatment and effective use of water and waste.	Expand water and environment projects to promote the appropriate use and treatment of water and the effective utilization of resources, and reduce the burden on the environment.	Expand the investment portfolio in the water and environment field which contribute to social demands for the environment and the promotion of a circular economy.	**Water Field** • We are promoting seawater desalination business in Australia and Oman. **Environmental Field** • UK: Our operations encompass three municipal solid waste incineration and power generation facilities (Energy-from-Waste/EfW plants), processing 850,000 tons of waste annually. These plants provide electricity for 100,000 British households equivalent. • Serbia: We set up first integrated waste management system in the Republic of Serbia. It contributes to the environmental issues such as greenhouse gases (GHG) (CO_2 equivalent) emission and polluted water leakage due to the inappropriate waste treatment. We have initiated an integrated waste management operation, including an EfW facility from July 2024. The project anticipates a reduction of approximately 210,000 tons of GHG emissions and has received Certification of Carbon Credit from the Gold Standard. • UAE: We are currently operating the first EfW project in Dubai. These facilities are designed to process half of the Dubai's municipal solid waste annually (1.9 million tons). The construction of this plant, the largest of its kind in the world, was successfully completed in August 2024. • Saudi Arabia: We are actively engaged in integrated hazardous waste management services in Jubail Industrial City.
Machinery Company	7, 13	• Climate Change Opportunities • Innovation	• Taking countermeasures against climate change • Next-generation business development	Aerospace business	To achieve decarbonization in the aviation industry through the adoption of hydrogen fuel cell engines	To commercialize hydrogen fuel cell engines, we aim to enhance public acceptance by collaborating with hydrogen-related companies, including the development of hydrogen infrastructure	Targeting the commercialization of the ZA600 engine, which can be installed on small aircraft, from 2026 onward. Following that, the ZA2000 engine — suitable for larger turboprop aircraft — is planned for development and commercialization.	Newly added from FYE 2026.
Metals & Minerals Company	7, 13	• Climate Change Opportunities • Capital Introduction • Innovation	• Taking countermeasures against climate change • Next-generation business development	• Resource recycling business • Mining business • Environmental business • Materials-related business	• We will realize stable resource supply as our social mission and responsibility while fully considering its environmental impact. • We will contribute to climate change issues through businesses that help to reduce greenhouse gases (e.g., lighter-weight vehicles and electric vehicles (EVs)) and the stable supply of essential materials.	• Take the lead in developing recycling-orientated business. • Promote initiatives for the social implementation of hydrogen and ammonia, etc. as resources and raw materials that contribute to the decarbonization in client industries (e.g. steel and power). • Promote businesses to contribute to the stable supply of nickel, PGM and other materials necessary in the manufacture and supply of hydrogen, green materials and energy, and storage batteries. • Continue to be involved in the development of technologies that contribute to the reduction of greenhouse gas emissions, including technologies for carbon dioxide capture and storage (CCS) and carbon dioxide capture and utilization (CCU). • Promote initiatives to completely withdraw from thermal coal mine interests while continuing to realize stable resource supply as our social mission and responsibility through trading in regards to our coal business. • Implementation and expansion of businesses that contribute to developing lighter-weight vehicles and shifting to EVs (e.g., aluminum and copper).	• Promote recycling-orientated business. • Promote initiatives for the social implementation of hydrogen and ammonia, etc. as resources and raw materials that contribute to the decarbonization in client industries (e.g., steel and power). • Promote examination toward technological development and commercialization to contribute to a reduction in greenhouse gas emissions, including hydrogen, green material and energy production, and carbon dioxide capture and storage (CCS) and carbon dioxide capture and utilization (CCU). • Strive to withdraw from thermal coal mine interests. • Realize initiatives in businesses that contribute to developing lighter-weight vehicles and shifting to EVs (e.g., aluminum and copper).	• Together with JFE Steel, UAE's largest steelmaker EMSTEEL, and others, we have promoted detailed feasibility studies for the establishment of a supply chain of ferrous raw material for green ironmaking with low carbon emission, which contribute to the decarbonization of the steel industry. In May 2024, we signed a Memorandum of Understanding with CSN Mineração S.A. [CM] in our Iron Ore Business in Brazil and NEXI concerning the decarbonization of the steel industry, which includes utilizing high-grade iron ore produced by CM. • We are contributing to the effective utilization of limited resources and the supply of environmental materials by promoting 3R+W (reduce / reuse / recycle + waste management). Specifically, we are steadily promoting initiatives in venous industries. This includes the reuse and recycling of store facilities and fixtures, the expansion and increase in sophistication of metal scrap and waste treatment through the use of a nationwide network of recycling companies. • We have invested in Everfuel of Denmark, who conducts the design, EPC, and operation of green hydrogen production facilities, distribution assets, and operation of hydrogen stations by using water electrolysis equipment, as well as the sale of hydrogen. In February 2025, we have commenced the first commercial production of green hydrogen, promoting the establishment of a locally-produced and consumed green hydrogen value chain. • We are promoting the Platreef project and others in the PGM (platinum group metals)/nickel business where demand is expected to grow significantly due to the worldwide spread of electric vehicles and fuel cell vehicles, and also expanding trade activities of such materials. • We have an investment into Australia-based MCi, who possesses mineral carbonation technologies. We are promoting their technology for the market. In December 2024, we have completed the construction of the first demonstration plant capable of processing multiple raw materials such as waste concrete and steel slag to produce carbonates. In January 2025, we have signed a memorandum of understanding with Mitsubishi UBE Cement Corporation to promote the construction of manufacturing plants and the establishment of a supply chain for raw material procurement and sales. • Agreement was signed with KOKO Networks, a Climate Technology Company Operating in Kenya, to support the generation of high quality carbon credits. In 2024, the first credits from our project with KOKO have been produced, and joint sales have been promoted. • Steadily promoted aluminum trade business that contributes to automobile weight reduction and electrification. We have traded approx. 500,000 tons in FYE 2025, and promoted sales of environmentally friendly raw materials for aluminum. • We decided to withdraw from thermal coal mine interests with a perspective of strengthening contribution and initiatives to SDGs. We already divested our Drummond mine interests in Colombia that had accounted for the majority of the ITOCHU's thermal coal interests and also divested Ravensworth North coal mine interests in Australia producing both thermal and coking coal.

Metrics and Targets

Address Climate Change (Contribute to a Decarbonized Society): Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Energy & Chemicals Company		• Transition Risk • Stable Supply of Resources	Stably supplying energy taking into account climate change and the environment	Oil/gas interests and liquefied natural gas (LNG) projects	We will produce resources (transition fuels) taking into account a reduction in greenhouse gases. We will provide a stable supply of energy to contribute to the development of industry and the construction of infrastructure.	Work on resource development projects in collaboration with superior partners who have advanced technical capabilities and abundant experience.	Pursue opportunities to participate in gas projects with a relatively low environmental burden in fossil fuels and as raw material source of the low-carbon fuel while keeping in mind the stable supply of energy in the transition phase toward the realization of a sustainable society.	To realize a sustainable society through the stable supply of energy, we continue to discuss with competent partners ways to participate in new upstream projects and collaborate on decarbonization as raw materials for a transition fuel.
Energy & Chemicals Company		Climate Change Opportunities	Energy use that takes into consideration local communities and the environment	District heating and cooling	We will promote initiatives toward environmentally friendly regional energy use.	• Communicate appropriately with neighboring stakeholders in the Jingu Gaien district. • Engineering, construction, and operation of highly efficient heat supply plants.	Maintain the stable operations of district heating and cooling in the Jingu Gaien district and promote the district heating and cooling to neighboring areas.	We are continuing discussions with the relevant stakeholders to spread and promote district heating and cooling to neighboring areas.
Energy & Chemicals Company		Climate Change Opportunities	Efforts to optimally and continuously supply renewable energy	• Energy Storage System • Power and Environmental Solution	We will continue to stably supply the Energy Storage System that are the key to the efficient and optimal utilization of renewable energy.	• We will continue to sell Energy Storage Systems equipped with optimal charge and discharge software based on machine learning (AI). • Composition of PV integrated storage systems and power storage facilities.	Number of storage batteries sold. (Sales and installation performance of storage batteries)	• Sold a cumulative total of approximately 63,000 units (615 MWh) of energy storage systems, as of the end of March, 2025. • We are advancing the development and expansion of next-generation power trading, including VPP and P2P power transactions, as well as remote power demand and supply control utilizing AI. • We are promoting the sale of industrial storage systems that contribute to the decarbonization of businesses in collaboration with overseas partner companies. • In collaboration with Tokyo Metropolitan Government, we have established Japan's first fund for utility scale energy storage and completed the recruitment of investors. We are focusing on building multiple individual projects, including those selected for subsidies from Tokyo.
Energy & Chemicals Company		• Stable Supply of Resources • Capital Introduction	Working on new fuel initiatives toward the realization of a carbon-neutral society / recycling-orientated low-carbon society	• Production and supply of hydrogen and fuel ammonia, and procurement and supply of renewable fuels • Working on new energy initiatives	We will aim to build a production and supply structure for new fuels to contribute to the reduction of greenhouse gases on a life cycle assessment basis toward the realization of a sustainable society and to improve energy efficiency.	Work on hydrogen and ammonia which are expected to serve as next-generation energies and fuels that do not emit carbon dioxide when burned. Also work on renewable fuels (derived from waste oils) to contribute to the reduction of greenhouses gases emitted from aircraft and large vehicles that are difficult to convert from internal combustion engines.	Build a new fuel value chain to be able to realize production, efficient transportation and supply by utilizing collaboration with superior partners and our track record in development and trading.	**Hydrogen and Ammonia** • ITOCHU has announced its investment in Protium Green Solutions, a UK-based company developing a decentralized green hydrogen supply business. • To realize a decarbonized society, we concluded a Memorandum of Cooperation (MOC) with Hive Hydrogen South Africa to collaborate in the field of green ammonia. Currently, we are engaging in Pre-FEED activities, considering the formation of partnerships, market approach strategies, and technology selection. **Renewable Diesel (RD) and Sustainable Aviation Fuel (SAF)** • From August 2024, seven companies, including ITOCHU, are conducting a pilot test for Scope 3 environmental value trading. • Through collaboration with Neste OYJ and GS Caltex, the fuel supply that complies with the Carbon Offsetting and Reduction Scheme for International Aviation has commenced at Narita International Airport. **New Energy** • ITOCHU has acquired shares of Blue Laser Fusion Inc. (BLF), a fusion energy-related startup, through a third-party allotment, while simultaneously concluding a strategic and business alliance agreement with BLF for fusion energy and other related businesses in which laser technology developed by BLF will be used.
Energy & Chemicals Company		Capital Introduction	Working on initiatives in carbon dioxide capture and storage (CCS) business toward the realization of a carbon-neutral society and inclusive and sustainable economic growth	Building of CO_2 capture chains using CCS	We will aim to build CO_2 capture chains to contribute to the reduction of greenhouse gases toward the realization of a sustainable society.	Refine CO_2 storage technologies - an application of petroleum development technologies - and enhance access to CO_2 capture chains (e.g., collection and transportation) to link them to CO_2 storage technologies.	Build a CO_2 transportation and storage business model by uncovering CO_2 capture needs at places where CO_2 is emitted in client industries across our companies.	• Together with ITOCHU Oil Exploration Co., Ltd., we joined the Geological Carbon Dioxide Storage Technology Research Association and participated in research and development projects for this technology. The Japan Sea-side Tohoku Region CCS business concept was selected for the Joint Study on Japanese Advanced CCS Project a public offering project in FYE 2024 and Engineering Design Work for Japanese Advanced CCS Project in FYE 2025 by the Japan Organization for Metals and Energy Security (JOGMEC). • We are currently discussing the feasibility of a CCS value chain project using ship transportation with our collaboration partners.

Metrics and Targets

Address Climate Change (Contribute to a Decarbonized Society): Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Energy & Chemicals Company	7	Climate Change Opportunities	Initiatives to optimize to supply renewable energy sustainably.	Renewable power business / Renewable energy-related materials procurement	• To achieve a stable supply of renewable energy through development and operation of renewable power plants (solar, biomass and wind). • To grow renewable power businesses domestically and internationally through global procurement activities on renewable energy-related materials.	By further stabilizing the operation of the existing renewable power plants, and by expanding the renewable energy portfolio with new and continuous development.	Renewable energy asset volume	• Expanded the third party-owned distributed renewable power generation, across Japan through iGrid Solutions Co., Ltd., which operates approximately 1,110 on-site solar power plants (combined output of appx 275MW). • Expanded the third party-owned distributed renewable power generation across Japan through Clean Energy Connect, Inc. which operates approximately 2,000 off-site solar power plants (combined output of appx 175MW).
Food Company	7, 13	GHG Emissions	Taking countermeasures against climate change	Fresh food field	We will examine and promote measures that contribute to tackling climate change.	Dole will utilize green energy in our processed food business.	• Residue input volume to the Dole Philippines biogas plant. • GHG reduction amount by introduction of clean energy.	**Result in FYE 2025** • Utilization of processed pineapple residue: 128,984 tons. Due to decrease of pineapple production, utilization quantity was less than last fiscal year. • GHG reduction from Renewable Energy installation: 126,786t CO_2e Thanks to the utilization of biomass*, GHG reduction quantity got more than last fiscal year. * We utilize rice hull for the boiler as the alternative energy source of diesel.
General Products & Realty Company	12, 15	Forest	Using sustainable forest resources	• Pulp • Woodchips • Wood products & materials	We deal in sustainable forest resources to reduce the impact on the environment and prevent the increase of greenhouse gases.	Handle certified lumber or lumber for which a high level of control can be verified.	Ensure a 100% handling ratio of certified or high-level management confirmed materials.	In FYE 2025, 100% of our Pulp, Woodchips and Wood Products & Materials transactions were handled as certified material or were intensively managed.
General Products & Realty Company	12, 13	• Capital Introduction • Pollution Prevention and Resource Recycling	Taking countermeasures against climate change	Cement substitute material such as slag	We plan to expand the use of sustainable byproducts (slag) as a substitute material for the cement which is vital for construction and civil engineering.	Establish continuous, stable business between Steelworks as the supplier of slag and users.	Consider investment, participation, etc. in the slag business and focus initiatives on creating demand, especially in developing countries, with the aim of establishing continuous, stable business.	• We are currently in discussions concerning investment and participation in the slag business. • In FYE 2025, global slag transactions will amount to 1.45 million tons.

Metrics and Targets

Develop a Rewarding Work Environment

Mid-to Long-term Targets

ITOCHU increases the ratio of female officers (including Executive Officers) to 30% or higher by 2030.

Background on Setting the Targets for This Material Issues

The perspective of female managers is extremely important to ITOCHU with its advantages in the consumer business.

Results

As a result of appointing five new female Executive Officers as of April 1, 2025, the ratio of women among all of our executive positions is 28%.

Develop a Rewarding Work Environment: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Headquarters	8	Labor Practices	Improving operating efficiency and preventing long working hours through work style reform	Human resources affairs	We will aim to improve labor productivity and employee engagement by promoting varied work styles.	• Conduct regular monitoring of employees' work situations. • Conduct employee engagement survey. • Promote the percentage of taking employee acquiring paid leave.	• Compliance to labor laws. • Rate of positive responses to the "engagement score" item in the engagement survey: approximately 70% • Paid leave acquisition rate at 70% or higher.	• Conducted monitoring of employee's working hours and working environment so as to prevent unpaid overtime work. • The positive answer rate to the "engagement score" in employment survey which conducted in FYE 2025 was 68%, in FYE 2024 was 68%, in FYE 2023 was 67%. • Percentage of taking employee acquiring paid leave; 69% in FYE 2025.
Headquarters	8	Labor Practices	Improving the health of employees	Human resources affairs	We will improve the health of employees to create an environment that will enable individual employees to better demonstrate their capabilities. We will build a system that helps employees with cancer or long-term illness to create a balance between treatment and work, thereby fostering a culture of mutual support.	• Establish well-equipped in-house clinics and a system for supporting each employee in receiving personalized medical care. • Improve the lifestyle-related indicators (drinking, sleeping, smoking, etc.) • Follow-up for health checkup consultation result. • Promote support system for balancing cancer care and work with the partnership with the National Cancer Center Japan. • Life security while absent or taking leave and providing scholarships. • Grant special leave for cancer and designated intractable diseases. • Establish international emergency medical structure. • Conduct stress check every year. • Conduct counselling by clinical psychologists.	• Improve the percentage of taking the cancer screening consultation and health checkup consultation. • Improve presenteeism and absenteeism. • Decrease in the number of employees taking absences and leave, and reduction in the job turnover rate. • Decrease in the number of employees requiring specific health guidance and employees restricted from traveling overseas. • Improve the utilization rate of the Cancer Treatment and Work-Life Balance Support Plan. • Improve Sleep Restfulness.	• Percentage of employees who receive regular medical checkups in Japan: 92.2% (As of March 27th, 2025). • Percentage of employees who take cancer screening consulation: 96.8% in FYE 2025. • Percentage of employees who take detailed examination for physical findings: 100% in FYE 2024. • Percentage of productivity loss due to presenteeism: 32.0% in FYE 2024. • Average Days of absenteeism: 1.3days in FYE 2025. • Number of employees taking leave due to mental health issues: 8 persons in FYE 2025. • Percentage of employees who receive specific health guidance: 48.9% in FYE 2024. • Percentage of employees utilize the Cancer Treatment and Work-Life Balance Suppor Plan: 83.3% in FYE 2025. • Percentage of employees who get enough rest through sleep: 65.6% in FYE 2024.
Headquarters	8	Labor Practices	Sustainable development of employees' capabilities	Human resources affairs	We will develop training programs on a global basis and provide opportunities to learn proactively that respond to the changing times and business needs with a market-oriented mindset to foster employees who can constantly change their business to meet their needs while inheriting the corporate philosophy. We will also utilize training programs to continuously produce excellent human resources.	• Continue to develop and provide training programs at all jobs levels. • Continue and enhance overseas deployment of interns and language trainees. • Offer diverse career path options and experience in diverse work through regular rotation. • Foster career awareness among employees by enhancing personnel assessments, career vision training, career counselling systems and other programs/systems.	• Annual training-related expenses exceeding one billion yen. • The number of employees who joined human development program (cumulative total number) 50,000 or more. • Percentage of career-track employees who are deployed overseas in their first eight years at the company at 80% or higher.	• Annual training-related expenses forecast: 2.45 Billion yen in FYE 2025. • The number of employees who joined human development program (cumulative total number) 56,831. • Overseas dispatch rate for career-track employees in up to their eighth year since joining the company: 87.3%. (As of FYE 2018, there are 671 employees required to be dispatched, of which 586 have actual overseas dispatch experience.)

Metrics and Targets

Develop a Rewarding Work Environment: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Headquarters		Labor Practices	Creating an environment that allows diverse human resources to exercise their potential	Human resources affairs	We will prohibit all types of discrimination, including those based on race, gender, religion, nationality and age, and respect human rights. We will accept diverse values and create an environment where each employee maximize their ability with flexible working style and other supports.	● Continue fair and equitable recruitment and promotion. ● Create a work environment in which employees accept and leverage diverse values. ● In anticipation of an increase in dual-income couples, enhance support for balancing childcare, nursing care, fertility treatment and similar circumstances with work (including utilization of flexible working style). ● Expansion of individualized support tailored to employees' life stages and career development. ● Support for the active contribution of senior personnel over the age of 60. ● Promote understanding and acceptance of LGBTQ and other sexual minority employees (e.g., employee education). ● Give reasonable consideration to the work environment of employees with disabilities.	● Achieve the following plans by Year 2030. (1) Female board of directors (including executive officers) as a percentage: 30%. ● Achieve the following plans by FYE 2026. (2) Female employees as a percentage of workforce: 30%. (3) Female employees as a percentage of new employees: More than 40%. (4) Female employees as a percentage of employees in managerial positions: 10%. (5) Percentage of male employees who take childcare leave: 100%. ● Achieve the following plans as of March 2025 (6) The percentage of employment of those with disabilities over our entire group: 2.5% (Includes ITOCHU Uneedus Co., Ltd. and ITOCHU Human Resources & General Affairs Services Inc.). *(1) to (5) are stipulated in the General Employer Action Plan under the Act on Promotion of Women's Participation and Advancement in the Workplace.	(1) Females Officers(including Executive Officers) as a percentage of all Officers: 21% as of March 2025. (2) Female employees as a percentage of workforce: 26% as of March 2025. (3) Female employees as a percentage of new employees: 39% in FYE 2025. (4) Female employees as a percentage of employees in managerial positions: 9.0% as of March 2025. (5) Percentage of male employees who take childcare leave: 96% as of March 2025. (6) The percentage of employment of those with disabilities over our entire group: 2.42% as of March 1, 2025 (Includes ITOCHU Uneedus Co., Ltd. and ITOCHU Human Resources & General Affairs Services Inc.). * (1) to (5) are stipulated in the General Employer Action Plan under the Act on Promotion of Women's Participation and Advancement in the Workplace ● Introduced the following measures as a result of discussions at the Women's Advancement Committee ● Made it "mandatory" for male employees to take childcare leave (paid leave) ● Accelerated Women's Advancement (Special Appointment of Female Executive Officers, Development of Potential Candidates for Management Positions, Individual Support for Overseas Assignments) ● Enhanced the utilization of femtech (e.g. subsidize for egg freezing fee and infertility treatment) ● Renamed "Clerical Staff" to "Business Expert (BX)." ● Strengthened Career Continuation Support (Childcare Support Allowance for Early Return to Work until the child reaches the age of 2) ● Furthermore, in 2025, completed the integration of its two existing women's dormitories in the Tokyo metropolitan area into a newly constructed facility. The dormitory is used as a platform for internal networking and talent development.

Metrics and Targets

Respect and Consider Human Rights

Mid-to Long-term Targets

ITOCHU conducts Sustainability Survey of key suppliers every year over the medium to long term, with the aim of reducing to zero the number of noncompliant suppliers requiring corrective action.

Background on Setting the Targets for This Material Issues

We examine the key suppliers' responses to the questionnaire, which is including prohibition of child labor, forced labor, payment of living wages, etc., and reconfirm with suppliers if we need to check details of their policies or actions. We aim to achieve sustainable procurement by identifying noncompliant suppliers and requiring further correction.

Results

- In FYE 2025, the Sustainability Survey was conducted for 275 suppliers.
- Requests of reconfirmation: 42
- Requests of corrective actions: 0
- Suppliers in violation:0

Respect and Consider Human Rights: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Textile Company	8	Value Chain	Establishing a value chain reflecting consideration for human rights and the environment	Textile products in general	We will promote dealings with companies which respect human rights and which engage in environmental management throughout their entire value chains.	Strive to understand at an early stage the human rights, social and environmental risks in supply chains by continually conducting surveys on major suppliers.	Conduct on-site visit surveys and questionnaires at more than 50 major suppliers a year on an ongoing basis.	In FYE 2025, surveys were conducted for 75 suppliers in China and the Asian region. As a result, no significant issues were identified. Appropriate feedback is provided on survey responses from suppliers to promote a sustainable supply chain.
Machinery Company	8	Supply Chain	Establishing a supply chain reflecting consideration for human rights and the environment	Overall electric power and plant projects	We will contribute to improving the quality of life of all stakeholders in the supply chain and business investment destinations.	Set rules on due diligence related to social and business environmental safety for suppliers and business investment destinations based on the distinctive characteristics of each business, implement due diligence, and strengthen monitoring continuously.	Implement the due diligence described on the left in all new development projects.	We continue operations to check the core subjects outlined in the social responsibility guidelines by employing a company-wide ESG checklist across all investment projects. Prior to investment, we conduct due diligence on each development project, assessing its social and environmental integrity based on the unique characteristics of each business.
Metals & Minerals Company	8, 15	• Mining • Electric Power・Mining・Oil and Gas Fields	Sustainable mine development that pays continuous careful attention to the risks in occupational safety and health and environmental risks, and that contributes to local communities' well-being	Mining business	• We will promote sustainable development of natural resources by fully committing to EHS (environment, health, occupational safety) and harmonious coexistence with local communities in areas which our mines operate. • We will improve local infrastructure such as medical care and education.	• Ensure the thorough application of the EHS guidelines and employee education. • Contribute to local communities through activities for improving medical care, education and infrastructure.	• Implementation of annual internal seminars to ensure our employees are fully aware of the EHS guidelines. • EHS seminar attendance rate: 100%. • Rate of checks implemented on EHS compliance in existing and operating projects to be possessed in long term and new mining business: 100%. • Donations to medical care and education, and building infrastructure in local communities. • Carry out CSR activities in all existing and operating projects to be possessed in long term (100%).	• We held internal EHS (environment, health and occupational safety) guidelines training courses for supervisors and staffs engaged in mining projects. The attendance rate of the training was achieved 100%. • We checked the proper compliance to the EHS guidelines for one new project, nine existing projects, and one another resource-related project. • We carried out social activities at the communities where our projects are located.
Food Company	8, 15	Supply Chain	Establishing a supply chain reflecting consideration for human rights and the environment	Provisions field	We will develop a procurement structure compliant with third-party body certification and supplier-specific codes of conduct.	• We will promote procurement compliant with supplier-specific codes of conduct in coffee bean and cacao bean producing countries. • We will strengthen the handling of oil certified by the RSPO - a third-party certification organization for palm oil. • We will support the establishment of a promotion and distribution system in Japan for MSPO/ISPO in cooperation with domestic industrial associations. The aim of this is to encourage the use of certified oil systems in producing countries.	• Coffee beans: Promotion of procurement of products compliant with supplier-specific codes of conduct or certified products based on our procurement policy. • Cacao beans: Promotion of procurement of products compliant with supplier-specific codes of conduct (sustainable products) based on our procurement policy. • Palm oil: Procurement of palm oil based on our procurement policy. Promotion of the disclosure of the set KPI indicators and supplier information. **2030** • Coffee beans: Aim for a 50% switch to sustainable coffee beans. • Cacao beans: Aim for a 100% switch to sustainable coffee beans. • Aim for a 100% switch to sustainable palm oil.	• Coffee beans: procurement ratio of FYE 2025:32% The coffee market has reached an all-time high, leading various client companies to reduce the usage ratio of certified raw materials for cost-cutting purposes. Although the handling ratio decreased compared to the previous year, the target value (over 30%) was achieved. • Cacao beans (traceable products): procuremen ratio of FYE 2025: 65% (4,984 tons of traceable beans out of 7,728 tons total.) • Palm oil: Check supplier's sustainable palm oil sourcing policies through regular surveys, and continue purchasing based on our procurement policies. At the same time, we continue to publicize the ratio of RSPO certified Palm Oils and Traceable To Mill etc. • Ratio of RSPO Certified Palm Products/Oleo chemicals of FYE 2025 • Palm Oils 36% • Oleo Chemical Products 69% **Support Achievements to Each Producing Country (Qualitative)** • Coffee Beans:Next Generation Support/Ethiopia To contribute to the improvement of sanitary and educational standards in Ethiopia, the toilets at schools are constructed and the educational materials to preserve the history and culture of coffee are provided in the coffee bean production areas of Ethiopia.

Metrics and Targets

Respect and Consider Human Rights: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Food Company	8, 9, 15	• Forest • Stable Supply of Resources	Establishing a supply chain reflecting consideration for human rights and the environment	Fresh food field	We will contribute to increased employment and an improved living environment by fostering local industries.	We will diversify producing areas to disperse weather risks in our Dole business. In addition, we will develop new producing areas to expand employment and improve the living environment through the growth of local industries.	• Cultivate pineapples in Sierra Leone to develop a producing area followed by the development program in the Philippines. • Start the commercial production and export of pineapple processed foods in Sierra Leone.	• Employment: 2,578 people as of March 2025. • Pineapple production: Approximately 12,000 tons in FYE 2025. • Providing of medical treatment for local persons. Through a non-profit organization, with whom the partnership agreement is signed for medical collaboration, we provide maternal healthcare services to employees, their families, and local residents. (In FYE 2025, 199 children was born in our clinic)
Food Company	8, 14	Supply Chain	Responsible Fisheries Procurement	Fresh food field	We will develop a procurement structure compliant with third-party body certification and supplier-specific codes of conduct.	Promote procurement in accordance with the supplier's own code of conduct in the country of origin of the tuna.	Develop a tuna procurement policy and promote procurement of products and certified products that comply with the policy.	• One vessel was added to existing MSC fisheries certification in February 2025. • In FYE 2025, we handled 12,500 tons of MSC certified tuna in total. (Around 6% volume in total) (Reference) We have acquired the MSC fisheries certification for six fishing vessels as of July 2022, and MSC fisheries certification for an additional 19 fishing vessels in June 2023.
General Products & Realty Company	8, 12	• Forest • Supply Chain	Realization of sustainable supply of natural rubber	Natural Rubber	• We will endeavor to establish measures to identify and avoid procuring rubber from any suppliers who dispossess indigenous people and develop High Conservation Value (HCV) areas, High Carbon Stock (HCS) areas and peatland. • We support or offer a training to improve yields and quality for natural rubber producers, especially smallholders. We also offer a risk-assessment education that includes modern slavery issue.	• We will establish a traceability system to make uncertain raw material procurement supply chain transparent. • We will achieve our commitment through the sustainability activity of our unique initiative "PROJECT TREE (https://project-tree-natural-rubber.com/)."	• We aim to procure raw materials with traceability and sustainability ensured in our natural rubber processing business. (Aiming to achieve 100% traceability for the natural rubber raw materials which we procure by 2025 through an original block chain-based traceability system.) • We will increase the number of smallholders implementing sustainability training and education, and contribute to achieving sustainability in the natural rubber industry.	• Traceability of the natural rubber raw materials' procurement reported by suppliers reached 100%. • Traceability of the natural rubber raw materials' procurement using our system reached 24% of the monthly purchasing volume up to the smallholders. • 11,991 of smallholders implemented sustainability training and education. *Based on the performance from January to December 2024.
General Products & Realty Company	11	Community Contribution	Developing a safe and secure, environmentally responsible community	Real Estate	To promote the construction of public facilities which prevent disasters, reduces the effects on the environment, and revitalizes the local economy.	Cooperating with local administrations to construct public facilities utilizing private capital.	Continuously and multilaterally promote the construction of public facilities which prevents disasters, reduces the effects on the environment, and revitalizes the local economy.	• In Shibata-machi, Miyagi Prefecture, a comprehensive gymnasium developed as a public-private partnership project (PPP) was opened in December 2024, and that will function as an evacuation center in case of a disaster. • In Kuwana City, Mie Prefecture, another PPP is being promoted to construct an indoor swimming pool that contributes to the revitalization of the local community by consolidating school swimming lessons as well as expanding the functions of the sports park. • In Kyoto Prefecture, a public-private partnership project (PPP) is underway to develop an arena that will function as designated evacuation shelter but also with logistics and storage hub in case of a disaster.

Metrics and Targets

Contribute to Healthier and More Affluent Lifestyles: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Machinery Company	2, 3, 8, 12	Food Safety	• Address Climate Change • Develop a Rewarding Work Environment • Respect and Consider Human Rights • Contribute to Healthier and More Affluent Lifestyles • Stable food procurement and supply	DENBA products and related business	We will contribute to the reduction of food loss by utilizing freshness preservation technology.	Retain food freshness and reduce consumption of edible oil through promotion of DENBA products.	• Expand sales of DENBA Fresh Pro and DENBA Fryer in the super market and restaurant chain industry. • Improve diffusion of DENBA Marine for ship warehouse.	• In 2024, approximately 1,450 units of DENBA Fresh Pro, DENBA+, and DENBA Fryer were sold, mainly to supermarket and restaurant chains. These products helped reduce food loss by preserving meat freshness in refrigerated showcases and cutting waste oil in deli sections. • A total of eight units of the food freshness system have continuously been in use at children's cafeterias since 2023. • Around 150 new units of DENBA Marine, for ship food storage, were sold, bringing the total number of installations to over 400 units—an increase of more than 40 from the previous year.
Energy & Chemicals Company	3	Medical Health	Promoting good health among people	Pharmaceutical products	We will contribute to improve people's health and working environment through accelerating the development of pharmaceuticals and other products in fields with significant needs including cancer-related fields.	Actively promoting to support the development and marketing of new pharmaceutical and generics.	Aim to accelerate the deployment of pharmaceuticals on the market, obtain early approvals for new pharmaceutical, generics and other products of which we are engaged in supporting the development and place them on the market.	• Continuing to maintain a stable supply of pharmaceutical raw materials and other products to pharmaceutical manufacturers in Japan and overseas and support for launch some new generics products by ITOCHU CHEMICAL FRONTIER Corporation.(launched in FYE 2025: generic anticancer drug, generic antiepileptic drug, and generic hypercholesterolemic drug) • We have continued to sell a pain reliever in North America through ITOCHU CHEMICAL FRONTIER Corporation. • ITOCHU CHEMICAL FRONTIER received the 2024 TOP ESG Supplier Award from GE HealthCare Technologies (the world's largest contrast media manufacturer) for its stable supply of iodine, including recycled products.
Food Company	3	Food Safety	Supplying safe, secure food	Overall food-related businesses	We will select and concentrate on suppliers to stably procure safe, secure food.	We will aim to strengthen the food safety management structures in our suppliers. We will do this by persons with certifications/qualifications related to the Food Safety Management System (FSMS) taking the central role in enhancing supplier audits and making requests for improvements.	Stably supply safe and secure food by enhancing the audits and guidance for suppliers mainly by the persons with certifications/qualifications related to the Food Safety Management System (FSMS).	We conducted inspections to 369 factories. We are continuing to stably supply safe and secure food. We are achieving this by continuing to enhance the audits and guidance for suppliers mainly by the persons with certifications/ qualifications related to the Food Safety Management System (FSMS) or in-house qualification holders related to factory audit.
ICT & Financial Business Company	9	Innovation	Next-generation business development	Business incubation through venture investments, focusing on FinTech, IoT, AI and Remote technologies	Challenge to create new businesses by utilizing cutting-edge innovations and service models in the FinTech, IoT, AI and Remote technology sectors.	Seek opportunities to invest in and partnership with various startups, so as to develop new businesses.	Realization of new services and businesses.	Continuing from FYE 2024, 4 direct investments and 1 fund investment were made to make business development together with startups that have new products, new technologies, and new business models.
ICT & Financial Business Company	3	Medical Health	Promoting good health among the people	• Support pharmaceutical development projects • Preventative healthcare-related business • Medical healthcare IT business • Sales of Cutting-Edge medical devices and provision of medical services	• We will provide value-added services for pharmaceuticals and medical sites, and will contribute to the improvement of people's quality of life (QOL) by utilizing cutting-edge ICT tools. • We aim to improve quality of life by providing cutting-edge medical devices and advanced medical services in the field of medical care, where technologies are innovated rapidly.	• We will optimize healthcare utilizing medical data. • Promote sales of advanced medical devices, and the business of supporting the operation of designated regional cancer care hospitals.	• Realization of new services and business development relating to medical data. • Increased penetration of medical devices that enhance quality of life, such as scalp cooling therapy systems.	Introduction of a scalp cooling therapy system for cancer patients that is effective in reducing hair loss caused by anticancer drug treatment. Currently installed at 103 facilities (as of FYE 2024 79 facilities), with a total of 4,100 patients (as of FYE 2024 2,900 patients) using the system.
ICT & Financial Business Company	8	Retail Finance	Providing financial services	Domestic and overseas retail finance business	We work on expanding and creating the retail financial market and providing financial services to individuals to contribute to enriching people's lives.	Increase the number of customers and loan balance by expanding and creating the retail financial market.	The number of customers and loan balance.	• Growth Rate of Outstanding Lending As the end of January 2025 compared to the end of March 2024 • UAF: 98.3% • EasyBuy: 98.0% • FRF: 111.7% • ACF: 105.7% *Operation started in 2018 • FRF and ACF remained steady. On the other hand, UAF is affected by the slump in personal consumption in Hong Kong. And EasyBuy is experiencing a decline in loan balances due to central bank regulations on household debt in Thailand.

Metrics and Targets

Ensure Stable Procurement and Supply: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Textile Company	12	Prevention of Pollution and Circulating Society	Reducing our environmental burden by circulating society	Textile products in general	We will contribute to realize a Circulating Society through our sustainable textile products and recycling of them.	Promote sustainable products and projects leading to the recycling of resources.	Promote the sustainable products such as “RENU”, a recycled polyester derived from textile, and set up schemes to recycle textile products.	• The environmental impact of handling recycled polyester through the RENU project is as follows (estimated for FYE 2025). Waste volume to be made into “RENU”: equivalent to 6.2 million T-shirts, CO_2 reduction: 1,906 tons, Water usage reduction: 6,416 kiloliters. • Approximately 4,300 collection points for “Wear to Fashion”, the clothing recycling service (as of March 2025). • We are currently operating a joint project called the “ARChemia Project”, which involves textiles and chemicals, and transforms used clothing into chemical products with high environmental added value. To date, more than 10 companies have adopted this project, and we are continuing to promote its expansion.
Textile Company	8	Value Chain	Establishing a value chain reflecting consideration for human rights and the environment	Textile products in general	We will promote dealings with companies which respect human rights and which engage in environmental management throughout their entire value chains.	Strive to understand at an early stage the human rights, social and environmental risks in supply chains by continually conducting surveys on major suppliers.	Conduct on-site visit surveys and questionnaires at more than 50 major suppliers a year on an ongoing basis.	In FYE 2025, surveys were conducted for 75 suppliers in China and the Asian region. As a result, no significant issues were identified. Appropriate feedback is provided on survey responses from suppliers to promote a sustainable supply chain.
Metals & Minerals Company	12	Stable Supply of Resources	Stable supply of industrial resources and materials	Mining business	We will contribute to the stable operation of various industries by maintaining and developing reliable supply chains for essential raw materials and fuels.	Polish existing interests and Acquire equity interests in superior projects to secure resources to form the basis for the steady supply of raw materials and fuels.	Acquisition of superior resource projects to strengthen and expand business foundation, in addition to polishing our existing competitive mining operations.	• Production began in 2022 at the Western Ridge iron ore deposits, which we acquired a partial interest from major resource company BHP. In 2024, we are promoting the introduction of new equipment installation and infrastructure construction. The South Flank iron ore deposit, which began production in 2021, continues to operate smoothly, and in 2024, it is on track to establish an annual production capacity of 80 million tons as planned. In the Western Australian Iron Ore Operations, various measures are being promoted to ensure a stable supply, improve productivity, and to maintain and strengthen cost competitiveness. • In 2024, we executed an increase in our stake in Iron Ore Business in Brazil (CM), which produces high-grade iron ore rich in iron on a large scale and at low cost. This strengthens the stable supply system of high-grade iron ore, contributing to the decarbonization of steel. • Commercial production began in 2023 at the Allegheny coking coal mine in the USA, in which we invested in 2019 for the purpose of securing a stable supply of high-quality steelmaking raw materials. In 2024, efforts are underway mainly to stabilize operations, including improvements to the mine’s environment.
Metals & Minerals Company	8, 15	• Mining • Electric Power・Mining・Oil and Gas Fields	Sustainable mine development that pays continuous careful attention to the risks in occupational safety and health and environmental risks, and that contributes to local communities’ well-being	Mining business	• We will promote sustainable development of natural resources by fully committing to EHS (environment, health, occupational safety) and harmonious coexistence with local communities in areas which our mines operate. • We will improve local infrastructure such as medical care and education.	• Ensure the thorough application of the EHS guidelines and employee education. • Contribute to local communities through activities for improving medical care, education and infrastructure.	• Implementation of annual internal seminars to ensure our employees are fully aware of the EHS guidelines. • EHS seminar attendance rate: 100%. • Rate of checks implemented on EHS compliance in existing and operating projects to be possessed in long term and new mining business: 100%. • Donations to medical care and education, and building infrastructure in local communities. • Carry out CSR activities in all existing and operating projects to be possessed in long term (100%).	• We held internal EHS (environment, health and occupational safety) guidelines training courses for supervisors and staffs engaged in mining projects. The attendance rate of the training was achieved 100%. • We checked the proper compliance to the EHS guidelines for one new project, nine existing projects, and one another resource-related project. • We carried out social activities at the communities where our projects are located.
Energy & Chemicals Company	12	Plastic	Efforts leading to solutions to social problems	Plastic-related environmental response	We will contribute to solving social problems (e.g., marine plastics and waste plastics) that urgently require measures with a plastic-related environmental response.	Supply environmental materials and establish a recycling/reuse program in collaboration with brand owners.	Build a recycling-oriented-model by enhancing our handling of environmental materials and establishing a recycling/reuse program.	We have worked with Japanese brand owners to introduce PCR (Post Consumer Recycled) polyethylene and polypropylene resins supplied by recyclers mainly in China and Southeast Asia into their cosmetic and sanitary containers.

Metrics and Targets

Ensure Stable Procurement and Supply: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Energy & Chemicals Company	7, 13	• Stable Supply of Resources • Capital Introduction	Working on new fuel initiatives toward the realization of a carbon-neutral society / recycling-orientated low-carbon society	• Production and supply of hydrogen and fuel ammonia, and procurement and supply of renewable fuels • Working on new energy initiatives	We will aim to build a production and supply structure for new fuels to contribute to the reduction of greenhouse gases on a life cycle assessment basis toward the realization of a sustainable society and to improve energy efficiency.	Work on hydrogen and ammonia which are expected to serve as next-generation energies and fuels that do not emit carbon dioxide when burned. Also work on renewable fuels (derived from waste oils) to contribute to the reduction of greenhouses gases emitted from aircraft and large vehicles that are difficult to convert from internal combustion engines.	Build a new fuel value chain to be able to realize production, efficient transportation and supply by utilizing collaboration with superior partners and our track record in development and trading.	**Hydrogen and Ammonia** • ITOCHU has announced its investment in Protium Green Solutions, a UK-based company developing a decentralized green hydrogen supply business. • To realize a decarbonized society, we concluded a Memorandum of Cooperation (MOC) with Hive Hydrogen South Africa to collaborate in the field of green ammonia. Currently, we are engaging in Pre-FEED activities, considering the formation of partnerships, market approach strategies, and technology selection. **Renewable Diesel (RD) and Sustainable Aviation Fuel (SAF)** • From August 2024, seven companies, including ITOCHU, are conducting a pilot test for Scope 3 environmental value trading. • Through collaboration with Neste OYJ and GS Caltex, the fuel supply that complies with the Carbon Offsetting and Reduction Scheme for International Aviation has commenced at Narita International Airport. **New Energy** • ITOCHU has acquired shares of Blue Laser Fusion Inc. (BLF), a fusion energy-related startup, through a third-party allotment, while simultaneously concluding a strategic and business alliance agreement with BLF for fusion energy and other related businesses in which laser technology developed by BLF will be used.
Food Company	8, 15	Supply Chain	Establishing a supply chain reflecting consideration for human rights and the environment	Provisions field	We will develop a procurement structure compliant with third-party body certification and supplier-specific codes of conduct.	• We will promote procurement compliant with supplier-specific codes of conduct in coffee bean and cacao bean producing countries. • We will strengthen the handling of oil certified by the RSPO - a third-party certification organization for palm oil. • We will support the establishment of a promotion and distribution system in Japan for MSPO/ISPO in cooperation with domestic industrial associations. The aim of this is to encourage the use of certified oil systems in producing countries.	• Coffee beans: Promotion of procurement of products compliant with supplier-specific codes of conduct or certified products based on our procurement policy. • Cacao beans: Promotion of procurement of products compliant with supplier-specific codes of conduct (sustainable products) based on our procurement policy. • Palm oil: Procurement of palm oil based on our procurement policy. Promotion of the disclosure of the set KPI indicators and supplier information. **2030** • Coffee beans: Aim for a 50% switch to sustainable coffee beans. • Cacao beans: Aim for a 100% switch to sustainable coffee beans. • Aim for a 100% switch to sustainable palm oil.	• Coffee beans: procurement ratio of FYE 2025: 32% The coffee market has reached an all-time high, leading various client companies to reduce the usage ratio of certified raw materials for cost-cutting purposes. Although the handling ratio decreased compared to the previous year, the target value (over 30%) was achieved. • Cacao beans (traceable products): procuremen ratio of FYE 2025: 65% (4,984 tons of traceable beans out of 7,728 tons total.) • Palm oil: Check supplier's sustainable palm oil sourcing policies through regular surveys, and continue purchasing based on our procurement policies. At the same time, we continue to publicize the ratio of RSPO certified Palm Oils and Traceable To Mill etc. • Ratio of RSPO Certified Palm Products/Oleo chemicals of FYE 2025 • Palm Oils 36% • Oleo Chemical Products 69% **Support Achievements to Each Producing Country (Qualitative)** • Coffee Beans:Next Generation Support/Ethiopia To contribute to the improvement of sanitary and educational standards in Ethiopia, the toilets at schools are constructed and the educational materials to preserve the history and culture of coffee are provided in the coffee bean production areas of Ethiopia.
Food Company	8, 9, 15	• Forest • Stable Supply of Resources	Establishing a supply chain reflecting consideration for human rights and the environment	Fresh food field	We will contribute to increased employment and an improved living environment by fostering local industries.	We will diversify producing areas to disperse weather risks in our Dole business. In addition, we will develop new producing areas to expand employment and improve the living environment through the growth of local industries.	• Cultivate pineapples in Sierra Leone to develop a producing area followed by the development program in the Philippines. • Start the commercial production and export of pineapple processed foods in Sierra Leone.	• Employment: 2,578 people as of March 2025. • Pineapple production: Approximately 12,000 tons in FYE 2025. • Providing of medical treatment for local persons. Through a non-profit organization, with whom the partnership agreement is signed for medical collaboration, we provide maternal healthcare services to employees, their families, and local residents. (In FYE 2025, 199 children was born in our clinic)

Metrics and Targets

Ensure Stable Procurement and Supply: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Food Company	8, 14	Supply Chain	Responsible Fisheries Procurement	Fresh food field	We will develop a procurement structure compliant with third-party body certification and supplier-specific codes of conduct.	Promote procurement in accordance with the supplier's own code of conduct in the country of origin of the tuna.	Develop a tuna procurement policy and promote procurement of products and certified products that comply with the policy.	• One vessel was added to existing MSC fisheries certification in February 2025. • In FYE 2025, we handled 12,500 tons of MSC certified tuna in total. (Around 6% volume in total) (Reference) We have acquired the MSC fisheries certification for six fishing vessels as of July 2022, and MSC fisheries certification for an additional 19 fishing vessels in June 2023.
Food Company	12	Pollution Prevention and Resource Recycling	Supply and use of environmentally friendly resources and materials	Fresh food field	Through the reduction of food loss, we will contribute to the promote the effective use of the resources and reduce the environmental impacts.	The company will brand and commercialize the out-of-spec Dole bananas discarded in Japan and Philippines as Mottainai bananas and distribute them in the market again.	• Reduction of waste at the production site (Philippines) • Reuse of discarded bananas (Japan)	Result in FYE 2025 • Reuse of waste bananas in Philippines: 25,003 tons • The consumption volume of discarded bananas in Japan: 2,045 tons Thanks to the utilization of off spec banana and the expansion of "Mottainai" project, the reuse volume was increased compared with last fiscal year.
Food Company	12	Pollution Prevention and Resource Recycling	Reduction of food loss, promotion of recycling	Overall food-related businesses	We contribute to the realization of a circular economy by promoting food loss reduction throughout the entire supply chain in the food distribution sector.	Promoted measures to reduce food loss in the domestic wholesale business. The company has implemented improvement measures based on the policies of "no food loss," "sell out products," and "donate food products".	In the domestic wholesale business, in addition to strengthening inventory management through the use of IT technology, the company contributes to the reduction of food loss by utilizing its domestic sales network and donating to food banks.	We are on track to achieve its FYE 2031 target, with a 4.7% y/y reduction as of the end of FYE 2025, and a 36.5% y/y reduction by the end of FYE 2025 compared to FYE 2017. We adjusted supply and demand based on retail store sales data and order data, and also increased the volume of products donated to food banks.
General Products & Realty Company	12, 15	Forest	Using sustainable forest resources	• Pulp • Woodchips • Wood products & materials	We deal in sustainable forest resources to reduce the impact on the environment and prevent the increase of greenhouse gases.	Handle certified lumber or lumber for which a high level of control can be verified.	Ensure a 100% handling ratio of certified or high-level management confirmed materials.	In FYE 2025, 100% of our Pulp, Woodchips and Wood Products & Materials transactions were handled as certified material or were intensively managed.
General Products & Realty Company	8, 12	• Forest • Supply Chain	Realization of sustainable supply of natural rubber	Natural Rubber	• We will endeavor to establish measures to identify and avoid procuring rubber from any suppliers who dispossess indigenous people and develop High Conservation Value (HCV) areas, High Carbon Stock (HCS) areas and peatland. • We support or offer a training to improve yields and quality for natural rubber producers, especially smallholders. We also offer a risk-assessment education that includes modern slavery issue.	• We will establish a traceability system to make uncertain raw material procurement supply chain transparent. • We will achieve our commitment through the sustainability activity of our unique initiative "PROJECT TREE (https://project-tree-natural-rubber.com/)."	• We aim to procure raw materials with traceability and sustainability ensured in our natural rubber processing business. (Aiming to achieve 100% traceability for the natural rubber raw materials which we procure by 2025 through an original block chain-based traceability system.) • We will increase the number of smallholders implementing sustainability training and education, and contribute to achieving sustainability in the natural rubber industry.	• Traceability of the natural rubber raw materials' procurement reported by suppliers reached 100%. • Traceability of the natural rubber raw materials' procurement using our system reached 24% of the monthly purchasing volume up to the smallholders. • 11,991 of smallholders implemented sustainability training and education. * Based on the performance from January to December 2024.
General Products & Realty Company	12, 13	• Capital Introduction • Pollution Prevention and Resource Recycling	Taking countermeasures against climate change	Cement substitute material such as slag	We plan to expand the use of sustainable byproducts (slag) as a substitute material for the cement which is vital for construction and civil engineering.	Establish continuous, stable business between Steelworks as the supplier of slag and users.	Consider investment, participation, etc. in the slag business and focus initiatives on creating demand, especially in developing countries, with the aim of establishing continuous, stable business.	• We are currently in discussions concerning investment and participation in the slag business. • In FYE 2025, global slag transactions will amount to 1.45 million tons.
ICT & Financial Business Company	12	Pollution Prevention and Resource Recycling	Provide products/ services that support the realization of a sustainable lifestyle.	Reuse / Recycling Business	Contribute to the development of a sustainable society by making most of limited resources through the distribution of used mobile phones and tablets in the Japanese market.	• Expand supply channels in order to realize a sustainable and stable procurement of resources. • Reinforce promotional activities in order to raise the awareness of secondhand mobile phones/tablets.	• Expand product variation and supply channels. • Expand distribution outlets.	• Product Handling Models: Increased from 856 models in FYE 2024 to 947 models in FYE 2025. • Procurement Sources: Maintained at 12 companies from FYE 2024 to FYE 2025. • Distribution Channels: Expanding sales channels through major e-commerce operators in addition to our own e-commerce site.

Metrics and Targets

Maintain Rigorous Governance Structures: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Headquarters	16	Governance	Maintaining and reinforcing a governance system for achieving sustainable growth	Corporate governance	We will implement highly effective supervision over the management from an independent and objective standpoint and ensure the appropriate and efficient execution of business operations by improving the transparency of our decision-making, aiming to our sustainable growth as well as the medium- and long-term improvement of our corporate value.	• Appoint several outside Directors, who have a high level of independence that fulfills our independence criteria and are expected to contribute to the company management with a high level of knowledge in their respective fields. • Maintain a highly transparent and objective Directors' and officers' remuneration system, which can increase their motivation to contribute to our medium- and long-term improvement of our company's performance and the improvement of our corporate value.	Continue to implement measures to strengthen the supervising function of the Board of Directors, through an annual evaluation of the Board of Directors.	• We have maintained the diversity of the Board of Directors (always appointing one third or higher percentage of outside Directors- four outside Directors out of 11 Directors, two female Directors out of 11 Directors, two female Audit & Supervisory Board Members, and an outside Director and an outside Audit & Supervisory Board Member with a wide range of sufficient experience in corporate management). • The majority (four out of seven members) of the Governance, Nomination and Remuneration Committee and its chair continue to be outside Directors. • The chair of the Women's Advancement Committee continues to be a female outside Director; half of the members are outside Directors and outside Audit & Supervisory Board Members, and half of the members are female (3 out of 6 in each case).
Headquarters	16	Governance	Ensuring compliance	Compliance	We will make employees more aware that ensuring compliance at any time is our contribution to the company and society.	Recognizing attitude of employees identifying issues and ensuring action plans to address the issues through periodic compliance attitude survey and direct communications.	Continuous direct communication with employees through face-to-face training programs whose contents shall be updated along with monitoring the measures according to risks, expectations from society and issues on site which will change with the time.	• In the period of April - May 2024, "Monitor and Review" of the ITOCHU Group's compliance system for the FYE 2024 was conducted. This survey covered a total of 434 organizations, including all organizations at the headquarter, all domestic branches, overseas blocks, and ITOCHU Corporation's Group companies, and their sub-subsidiaries. The purpose of the survey is to understand and promote each organization's compliance system. • In the period of November 2024 - January 2025, the Legal Department conducted monitoring for the compliance-related incidents where the necessity to confirm the implementation status of their recurrence prevention measures, formulated in the FYE 2024, was high. This monitoring was in addition to the comprehensive monitoring already conducted on the organizations where compliance-related incidents occurred. It is confirmed that these recurrence prevention measures for these cases were generally implemented appropriately. • In the period of January - February 2025, e-learning regarding the "Antimonopoly Act", "Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors", and periodical on-site compliance training seminars was simultaneously conducted for all ITOCHU Corporation employees, temporary staffs, and secondees. (Number of the participants:4,340) • The status of our periodical on-site compliance training seminars conducted for domestic group companies including their subsidiaries and affiliates in FYE 2025 is as follows: 89 companies with 18,780 participants
Headquarters	16	Governance	Maintaining and reinforcing a governance system for achieving sustainable growth	Risk management	We will build a system for group risk management and maintain it to manage the risk of loss and ensure the appropriateness of our corporate group's operations.	Conduct regular reviews of risk management systems that have been established, including internal committees and risk management departments, various rules and regulations, reporting and monitoring systems, as well as the effectiveness of such systems.	Maintain a firm governance system in the medium- and long-term by establishing a PDCA cycle, including development and implementation of action plans by the departments responsible for risk management, and monitoring and reviews by internal committees.	Regarding principal risks of ITOCHU Group, we reviewed the progress of the action plans of the FYE 2025 submitted by each risk management responsible divisions every half year. Including all issues dealt during the period, we reported to the Internal Control Committee that Itochu's internal risk management system is active, which was held in October 2024 (review of the first half of FYE 2025), and in April 2025 (review of the second half of FYE 2025, and the action plans for FYE 2026).

Collaboration with Outside Initiatives

Participation in Initiatives

We participate in the following initiatives to promote sustainability.

Involvement in the United Nations Global Compact

In April 2009, ITOCHU Corporation joined the United Nations Global Compact, a global initiative to achieve sustainable growth for the international community. ITOCHU will fulfill our corporate mission of "*Sampo-yoshi*" in accordance with the United Nations Global Compact's 10 principles covering human rights, labor, environment and anti-corruption.

- United Nations Global Compact (https://unglobalcompact.org/)

The Ten Principles of the United Nations Global Compact

Human Rights	**Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights; and **Principle 2** make sure that they are not complicit in human rights abuses.
Labour	**Principle 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; **Principle 4** the elimination of all forms of forced and compulsory labour; **Principle 5** the effective abolition of child labour; and **Principle 6** the elimination of discrimination in respect of employment and occupation.
Environment	**Principle 7** Businesses are asked to support a precautionary approach to environmental challenges; **Principle 8** undertake initiatives to promote greater environmental responsibility; and **Principle 9** encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	**Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery.

Work with Global Compact Network Japan

ITOCHU is the corporate director of Global Compact Network Japan (GCNJ), the local network for the United Nations Global Compact in Japan. The GCNJ learns from other companies' practices and academics, and also consists of subcommittees for deliberations and exchanging ideas on specific topics concerning approaches and initiatives for sustainability. In FYE 2024, ITOCHU proactively participated in the ESG subcommittee.

TCFD Consortium

ITOCHU announced its support for TCFD in May 2019, which encourages companies to disclose financial information related to climate change. By participating in the TCFD Consortium*, we will continuously engage in the appropriate disclosure of ITOCHU business risks and opportunities associated with climate change.

* The TCFD Consortium established on May 27, 2019 by Ministry of Economy, Trade and Industry (METI), Ministry of the Environment (MOE), and the Financial Services Agency (FSA) as a body for promoting discussion and deliberation among companies and financial institutions supporting the TCFD mission.

TNFD Forum

ITOCHU supports the principles and activities of the TNFD which promotes disclosure of the impact of nature-related risks and opportunities on corporate business and financial accounting. In June 2022, we joined the TNFD Forum to gain experience and knowledge and in October 2024, we also registered with TNFD Adopters. Through the forum, we have been gathering information on TNFD and is committed to appropriate disclosure in accordance with the TNFD Recommendations.

CDP (Climate Change, Water Security and Forests)

ITOCHU is actively providing information on ESG initiatives to various stakeholders around the world.

As part of these initiatives, we have been responding to climate change, water security and forests questionnaires of the CDP, which is recognized worldwide as a global standard for corporate environmental information disclosure.

Collaboration with Outside Initiatives

GX League formulated by the Ministry of Economy, Trade and Industry

In 2022, ITOCHU expressed its support for the GX League Basic Concept established by the Ministry of Economy, Trade and Industry, and has been actively involving and making proposals at the public-private councils regarding the concept of emissions trading, the carbon credit market, and the ideal way to trade credits in the GX League. Taking into account our involvement of the various initiatives during the preparatory period for the establishment of the GX League, we participated in the GX League, which began in earnest in April 2023. The GX League will take on the challenge of GX (Green Transformation) with a view to achieving carbon neutrality and social change in 2050, and will serve as a forum for collaboration among industry, government and academia to achieve sustainable growth. As a participating company, our company will continue to be actively involved in the league's initiatives, including emissions trading, which is a concrete policy tool for decarbonization, and contribute to the virtuous cycle of the environment, economy and society, including climate change.

- GX League (https://gx-league.go.jp/en/)

Japan Climate Initiative (JCI)

ITOCHU participates in the Japan Climate Initiative, a network of Japanese non-governmental actors actively working to achieve the 1.5-degree target. This network gathers companies, local governments, organizations, and NGOs who support the idea of "participating from Japan on the front line of decarbonization." With the active commitment of the Director in charge, the staff of the Sustainability Management Division participates in various seminars and other activities of JCI to keep up with the latest trends of climate-related issues in Japan and overseas. In addition, we disclose information on our commitment and initiatives toward the decarbonized society on the JCI's website.

- Introduction of ITOCHU in the Japan Climate Initiative website (Japanese only) (https://japanclimate.org/member/itochu-co/)

Japan Partnership for Circular Economy (J4CE)

ITOCHU is participating in the Japan Partnership for Circular Economy, a public-private collaboration established by the Ministry of the Environment, the Ministry of Economy, Trade and Industry, and the Japan Business Federation. This initiative aims to foster a deeper understanding and promote efforts towards a circular economy. Among more than 200 registered companies, the spotlight case collection released in 2025 features our textile company, which invests in and collaborates for the production of recycled polyester RENU. It highlights the resource circulation service PASSTO, which seamlessly conducts the collection, sorting, and redistribution of unused items.

- Page of the Circular Economy Partnership (https://j4ce.env.go.jp/en)

RSPO (Roundtable on Sustainable Palm Oil)

Please refer to P183 for details of our activities.

- RSPO Website (https://www.rspo.org/)

GPSNR (Global Platform for Sustainable Natural Rubber)

Please refer to P182 for details of our activities.

- GPSNR Membership List (https://sustainablenaturalrubber.org/our-members/)

KEIDANREN (Japan Business Federation)

- Committee on Environment
- 1% (One Percent) Club
- Council for Better Corporate Citizenship (CBCC)
- Committee on Responsible Business Conduct & SDGs Promotion
- Keidanren Nature Conservation Fund / Keidanren Committee on Nature Conservation

Japan Foreign Trade Council (JFTC)

- Sustainability Promotion Committee
- Social Contribution & ABIC Committee

ESG Disclosure Study Group

- EDSG Member List (Japanese Only) (https://edsg.org/%e4%bc%9a%e5%93%a1%e4%b8%80%e8%a6%a7/)

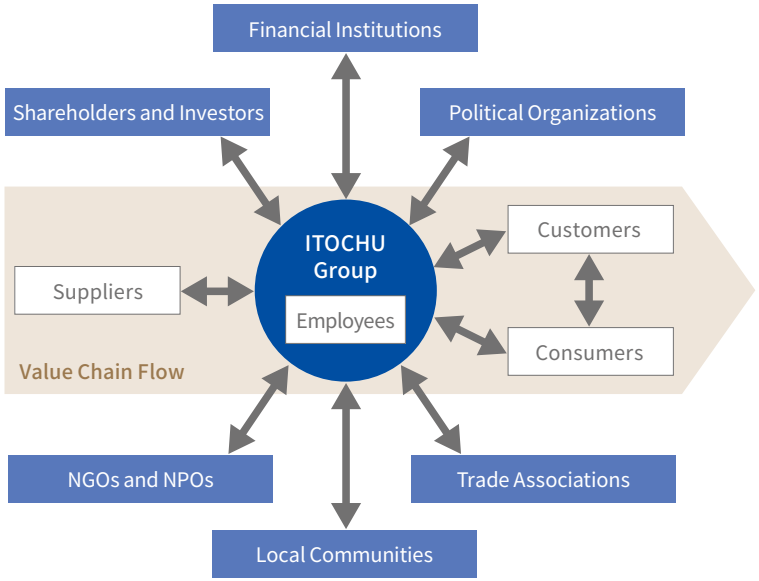
Collaboration with Outside Initiatives

Stakeholder Engagement

Policy & Basic Approach

In our diverse range of corporate activities conducted worldwide, ITOCHU Group place strong emphasis on dialogues with various stakeholders. We provide information about the ITOCHU Group activities, and we value the opinions of our stakeholders, both expectations and concerns. For our sustainable growth, we reflect measures in our business activities to further advance sustainability on a company-wide basis.

- Multi-Stakeholder Policy (Japanese only)
(https://www.itochu.co.jp/ja/csr/pdf/multi_stakeholder_policy.pdf?250529)



Stakeholders	Frequency	Overview of Initiatives	Main Methods of Dialogue
Suppliers, Customers, and Consumers	Periodically As Needed	We engage in fair and equitable transactions with business partners and comply with laws and ordinances. By building supply chain management that addresses social issues in human rights, labor and environment, we strive to provide safe and secure products and services to consumers.	• Provision of information through the Integrated Report/ESG Report and official website • Notification of Sustainability Action Guidelines for Supply Chains • Quality control and Sustainability Surveys on supply chains • Contact for inquiries • Dialogue with CustomersPDF file(Japanese only)
Shareholders, Investors, and Financial Institutions	Periodically As Needed	We emphasize dialogue with our shareholders, investors, and other stakeholders from the perspective of achieving sustainable growth and enhancing corporate value over the medium to long term. We strive to reflect obtained inputs into our management strategies and financial and capital policies. Through commitment-based management, we expand corporate value and sustain a positive cycle through effective engagement.	• General meeting of shareholders • Financial results briefings • Field-specific briefings • Briefings for individual investors • Provision of information through the Integrated Report/ESG Report and official website • Integrated Report Briefings • Overseas IR roadshows • Conferences sponsored by securities companies • Response to investigations and ratings performed by socially responsible investors • Debt IR • Individual engagement with investors
Political Organizations, and Associations	As Needed	We aim for the settlement of social issues and the sustainable development of the international community. We do this by complying with various relevant laws and ordinances formulated by government agencies and local governments in Japan and overseas. In addition, we promote business in cooperation with government agencies, local governments and industry groups.	• Participation in the government, the ministries related committees and councils • Activity through the trade association (Japan Business Federation, Japan Foreign Trade Council)
Local Communities, NGOs, and NPOs	As Needed	We understand that our business activities affect local communities. Accordingly, we contribute to the sound and sustainable development of local communities. We do this by aiming to solve social issues in communities such as the creation of jobs, development of infrastructure, improvements in living standards and development of the educational environment. We strive to solve social issues through dialogue and collaboration with NPOs and NGOs.	• Social contribution activities and volunteer activities • Sustainability Advisory Boards • Dialogue with residents of areas around project sites • Regular communication with NGOs and NPOs • Support for the dissemination of information by NGOs, NPOs and local communities
Employees	As Needed	We endeavor to develop various measures and systems to realize decent work with aiming a challenging but rewardng company. We work to foster an organizational culture in which diverse human resources create opportunity of self-development and social contribution through their work.	• Integrated report briefing for employees • Provision of information through the in-house Intranet and bulletins • Provision of opportunities to develop abilities through various training sessions and seminars • Provision of career counseling • Establishment of employee consultation desk system • Implementation of employee engagement surveys • Labor-union management meetings (including management meetings and settlement of accountings meetings) • General employee meetings at each company • Employee award system • Employee shareholding association • Health management • Business idea solicitation system

Collaboration with Outside Initiatives

FYE 2025: The Expense of Associations and Social Contribution

(Unit: 1 million yen)

Trade Association, Economic Association, Other Association	70	Social Contribution (Donation)	604 (154)
Political Association	28		
Total	98		

Major Donation Cases in FYE 2025

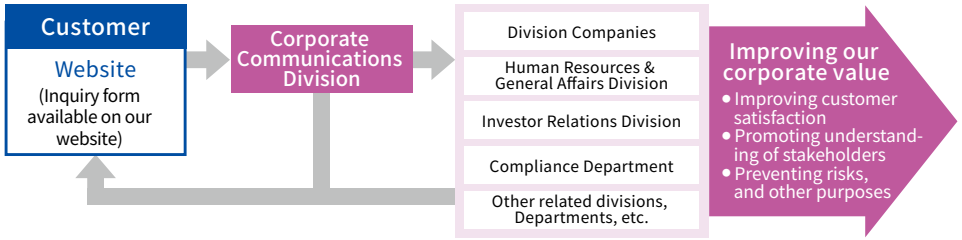
(Unit: 1 million yen)

Subject of Donation	Amount	Summary
General Incorporated Foundation National Political Association	28	Corporate donations to the National Political Association.
Fukuyama City, Hiroshima Prefecture	10	Donation to support projects for Fukuyama city's local development.
EU-Japan Fest Japan Committee	3	Donation as part of a cultural exchange regarding a program to promote artistic and cultural exchange between Europe and Japan.
Shiga Prefecture	2	Donation to support the environmental policies of Shiga Prefecture, the birthplace of our company.

Consultation Desk for the General Public (including Stakeholders)

ITOCHU Corporation has established a system to accept opinions, proposals, and grievances and to accept inquiries from the general public and all our stakeholders, as described below.

ITOCHU makes use of opinions and suggestions from customers to improve customer satisfaction, facilitate stakeholder understanding, prevent risks, and other purposes, thereby helping to improve our corporate value.



Third Party Opinion



Hidemi Tomita
CEO
Institute for Sustainability Management

It is difficult to say that international efforts to address issues such as climate change have yet achieved sufficient results. At the same time, due to the diversity and international reach of their businesses, general trading companies have a much broader scope of operations and a far more diverse range of stakeholders compared to typical companies, making it challenging to address sustainability issues that involve various risk dimensions. Additionally, with the increasing uncertainty in geopolitics and international politics, navigating these challenges has become even more difficult.

With this ESG Report, inclusion of LEAP analysis based on TNFD recommendations has commenced. ITOCHU Corporation, which has strengths in the non-resource field, can be especially commended for its proactive initiatives concerning business areas highly dependent on natural capital, such as forest resources, food, and textile materials.

In particular, initiatives related to natural rubber and similar areas serve as an advanced example in which business divisions are proactively taking steps in the realm of "nature." It can be said that ITOCHU Corporation's corporate mission, *Sampo-yoshi* (good for the seller, good for the buyer, good for society), is not just a slogan, but is steadily permeating its field operations.

Given that ITOCHU's Corporation's business spans a wide range of areas, it is necessary to prepare responses to diverse sustainability challenges as part of its "infinite missions." Under its corporate philosophy, we anticipate the promotion of initiatives that meet and exceed the expectations of various stakeholders, especially in areas where the company's strengths can be leveraged.



Environment

Environment

Environmental Policy

Policy and Basic Concept

The ITOCHU Group Environmental Policy

Global environmental concerns such as climate change pose a critical threat to the sustainability of the Earth. Given the global nature of our operations, it is a top management priority for us to address these concerns and contribute to building a sustainable society. We will do so by committing to make continuous improvements to our environmental management system, collaborating with internal and external stakeholders to reduce the environmental impacts of our businesses throughout their lifecycles, and engaging in business activities that make positive contributions to the environment. The ITOCHU Group's sustainability promotion based on this Environmental Policy shall be planned and formulated by the Sustainability Management Division and shall be operated and implemented by the Group ESG Officers and Group ESG Managers of each organization under the decision of CAO. The Board of Directors approves and oversees the Group's policies, strategies, and related business promotion concerning sustainability.

1. Compliance with Laws and Regulations

We shall comply with international declarations, agreements, and treaties, as well as with the laws and regulations of the countries and regions in which we operate. We shall also comply with any other agreements that we have consented to.

2. Response to Climate Change

We shall reduce greenhouse gas emissions and increase the efficiency of energy use within our own operations, as well as externally provide products and services that contribute to the mitigation and adaptation to climate change.

3. Environmental Pollution Prevention

We shall prevent and reduce environmental pollution caused by chemical substances and oils, reduce emissions of air pollutants, and reduce and properly process hazardous waste and wastewater.

4. Promotion of Resource Circulation

We shall contribute to the formation of a circular society by promoting the sustainable use of resources (such as fossil fuels, minerals, food, animals and plants), a reduction in the amount of resources used, a reduction in the amount of waste discharged and recycling across our business investments and the supply chain of our products and services.

5. Conservation and Effective Use of Water Resources

We shall reduce water consumption through efficient water use and recycling, as well as take necessary measures to appropriately treat effluents.

6. Biodiversity Conservation

We shall recognize the value of the benefits that we receive from the natural ecosystem, minimize our impact on biodiversity, and contribute to its conservation.

7. Transparency

We shall proactively disclose and raise awareness about environmental impact of our business and maintain a communicative relationship with all stakeholders in the value chain, including partner company, outsourcing partners, local communities, and our employees.

8. Environmental Management System

We shall set targets for reducing environmental impact and take appropriate actions based on environmental impact assessments including due diligence in initial consideration phase and regular monitoring reviews for all business activities, such as investments, provision of products and services, and logistics.

9. Employee Training

We shall provide training for the employees to deepen the understanding of the impacts of our business on the environment. Each employee of the ITOCHU Group shall implement the action plan of each organization based on this Environmental Policy.

Fumihiko Kobayashi
Member of the Board
Executive Vice President
Chief Administrative Officer

Established in April 2020
Revised in May 2024
Revised in May 2025

Environmental Management

Policy and Basic Concept

ITOCHU strives to make initiatives to conserve the global environment to be a top management priority for us. This is under recognition that the business activities we perform in Japan and overseas (e.g., the provision of various products and services, the development of resources, and business investment) are closely connected to global environmental problems. Therefore, we established the Global Environment Department (current Sustainability Management Division) in 1990 ahead of other trading companies. We are ensuring compatibility of both offense and defense — offense to promote environment conserving businesses and defense to take a precautionary approach to environmental and social risks — based on our environmental policy. The aim of this is to fulfill our corporate mission of *Sampo-yoshi*. We are also engaged in global corporate management and activities with a constant awareness of global environmental problems.

We reorganized and integrated our conventional environmental management structure into a structure to promote sustainability in line with the revision to this policy in April 2018. We have built and are maintaining and operating an efficient environmental management system (EMS) in accordance with the ISO 14001 standards.

• Refer to: The ITOCHU Group Environmental Policy (P46)

Structures and Systems

ITOCHU recognizes that our business activities can have an impact on the global environment and society and so are looking to take a precautionary approach to environmental and social risks. To that end, we have built a sustainability management system including EMS to assess in advance the impact in regard to new investments in particular together with the products we handle. Under this system we formulate targets every year for items related to environmental and social risks, environment conserving businesses, saving energy, saving resources, greenhouse gas (GHG) emissions reduction and other climate change related risks. We then assess and analyze the progress, and we move through the PDCA cycle to reliably achieve our targets.

• Refer to: ITOCHU's Sustainability Promotion Structure (P16)

External Audits

ITOCHU undergoes an ISO 14001 certification review every year by the BSI Group Japan K.K.. We underwent the re-certification audit recently in December 2024. The latest registration certificate is valid until December 23, 2027.

EMS 657977/ISO 14001

ISO 14001 Certification of the ITOCHU Group

ITOCHU was the first trading company to acquire ISO 14001 certification in 1997 and is working to continuously improve its sustainability promotion system.

Percentage of ISO 14001 certified sites **93%**

- ISO 14001 certified sites: ITOCHU Corporation, ITOCHU Automobile Corporation, ITOCHU Metals Corporation, ITOCHU Taiwan Corporation
- Percentage of ISO 14001 certified sites: 93%
- Scope of registration: Business activities of a general trading company to invest and provide goods and services

Internal Audits

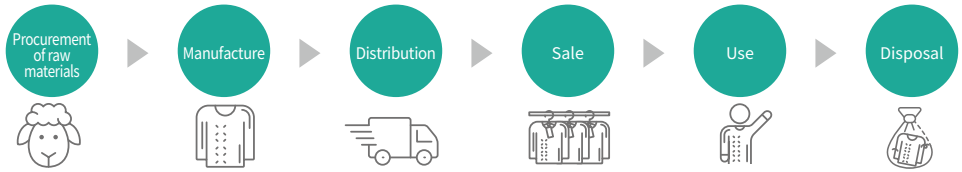
ITOCHU conducts internal sustainability audits every year based on ISO 14001. In conjunction with the re-certification audit for ISO 14001, we have planned to conduct both internal and external audits for all 49 departments. Members of the Sustainability Management Division constitute the audit team and conduct the audits with emphasis on compliance. The implementation of internal sustainability audits over half a year leads to a precautionary approach to environmental and social risks.

Initiatives

Assessment of Sustainability Risk in Products ITOCHU Handles

ITOCHU deals in a wide variety of products on a global scale. Therefore, we believe it is important that we assess the impact on the global environment of each product, our environmental related laws and regulation compliance situation, and our relationships with stakeholders. Accordingly, we conduct our own sustainability impact assessments on all our products. The assessment is based on LCA* analysis methods to investigate the environmental and social impacts of the product, from the procurement of raw materials to the manufacturing process, use and disposal of the product. We evaluate climate change risks such as tropical rainforest deforestation, desertification, and global warming, as well as the dependence and impact on biodiversity, and the impact on the human body and local communities in both normal and emergency situations. If the results of the assessment of our newly handling products indicate that there is a significant environmental or social impact, the product in question will be registered as a priority management target, and various regulations, procedure manuals, and specific operational personnel training are individually formulated and implemented, and monitored during the annual cycle of the EMS.

* Life Cycle Assessment (LCA): This is the technique to assess the impact of one product on the environment in all stages of its lifecycle — from raw materials to manufacture, transportation, use, and disposal or reuse.



Environmental Management

Investigations into the Actual Conditions in Group Companies

ITOCHU has continued to visit and investigate Group companies having relatively high environmental impacts since 2001. The aim of this is to prevent environmental pollution by these Group companies. We have investigated a total of 301 offices over the past 24 years up to the end of FYE 2025. We assess companies in these investigations by investigating their factory and warehouse facilities, their situation of drainage to rivers, and their compliance with environmental laws and regulations, in addition to holding an engagement interview with their management regarding their response toward environmental challenges, including climate change.

Sustainability Risk Assessments on New Investment Projects

ITOCHU assesses the social and environmental impact of its business investment projects and the governance status of the investment targets in advance using the “ESG Checklist for Investments”. This checklist consists of checkpoints on climate change, pollution prevention and resource circulation, water resources, natural capital and biodiversity, including elements from the seven core subjects of ISO 26000, the international standard for organizational social responsibility. For projects that require expert knowledge, we make request to external experts to conduct investigations in advance. The investment project is then only undertaken upon confirming that there are no problems in the results of those investigations.

Environmental Education and Awareness

ITOCHU provides various educational programs to encourage employees to conduct environmental conservation activities. In addition, we hold environmental laws and regulations seminars and global environmental problem awareness seminars for Group employees. Through these initiatives, we are striving to improve environmental awareness over the entire ITOCHU Group.

Regular Training for Outside Directors

In order to promote Outside Directors’ and Outside Audit & Supervisory Board Members’ understanding of risk management and other ITOCHU Group initiatives, Outside Directors and Outside Audit & Supervisory Board Members have regular meetings with the Chairman & CEO and the President & COO; Outside Directors have regular liaison meetings with full-time Audit & Supervisory Board Members; and internal auditing units meet regularly with Outside Directors to report on their activities. Outside Directors and Outside Audit & Supervisory Board Members also meet regularly on an individual basis with Division Company Presidents and Officers in charge of overseeing head office functions to constantly improve their knowledge and understanding. We hold information sessions for Outside Directors and Outside Audit & Supervisory Board Members to provide opportunities to deepen their understanding of environmental, social, compliance, and various other risks (climate change, water quality, forest commodities management, human rights and occupational safety and health) as well as the related risk management systems. Outside Directors and Outside Audit & Supervisory Board Members also receive pre-briefings before meetings of the Board of Directors, with explanations of individual investment matters that includes not only the investment details but also risk analysis and response; in so doing, we work to ensure that they enter meetings of the Board of Directors with a full understanding of the relevant risks.

Seminars and Training Sessions

We proactively hold seminars and training sessions. The aim of these is to thoroughly inform ITOCHU Group employees about environmental related law and regulation requirements and to raise their compliance and environmental awareness.

Refer to: Sustainability Awareness Activities at ITOCHU (P19)

Inquiries from Inside and Outside the Company and Our Response to Them (FYE 2025)

Inquiries from outside parties
27
- 24 from companies (business partners)
- 2 from industry associations
- 1 from NGOs

Requests for submission of ISO 14001 certification copy
37

Serious environmental accidents, troubles, lawsuits or penalties in our company
0

Sustainable Finance

In March 2021, ITOCHU became the first general trading company to have decided to issue US 500 million dollars Senior Unsecured Bonds due 2026 to raise funds for projects that contribute to SDGs (the “SDGs Bonds”). To issue the SDGs Bonds, we have established the SDGs Bond Framework in alignment with the Green Bond Principles, 2018, the Social Bond Principles, 2020 and the Sustainability Bond Guidelines, 2018 as administered by ICMA (the International Capital Market Association). And it has obtained an external evaluation (second party opinion) from Vigeo Eiris for the conformity of our Framework with principles such as the Sustainability Bond Guidelines.

In September 2023, we entered into a green loan financing agreement with Sumitomo Mitsui Trust Bank, Limited, and in December 2024, with The Bank of Fukuoka, Ltd. The Green Loan will be used for eligible projects (renewable energy power generation, waste treatment and power generation, and circular economy-related).

Refer to: Sustainable Finance (P244)

Climate Change (Information Disclosure Based on TCFD Recommendations)

In May 2019, ITOCHU announced our support for the TCFD* recommendations in recognition of the importance of climate-related financial disclosures. Since then, we continue working to provide information disclosure based on TCFD recommendations.

* TCFD: The Task Force on Climate-related Financial Disclosures established by the Financial Stability Board (FSB).

Policy and Basic Concept Concerning Climate Change

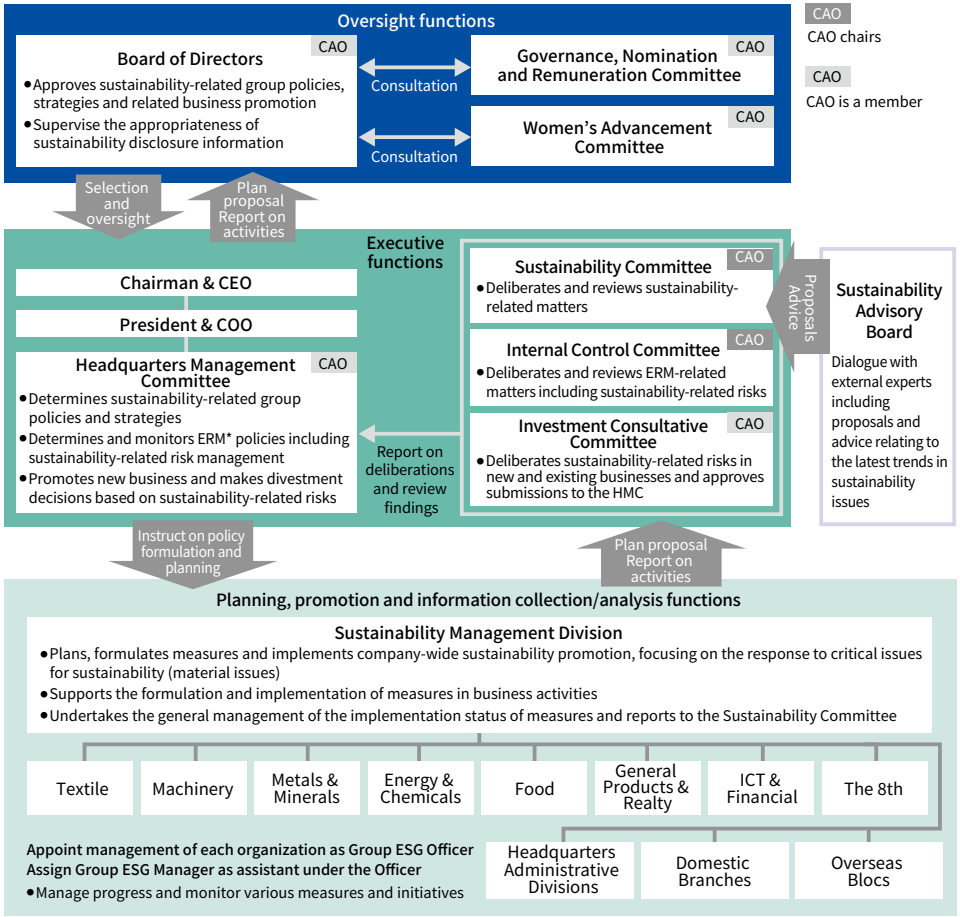
ITOCHU recognizes that climate change is one of the most urgent global environmental issues, therefore ITOCHU Group, which operates globally, considers climate change and other global environmental issues as one of the most important management issues. We support international policies and standards, including the Paris Agreement, Japan's NDC (Nationally Determined Contribution), climate change-related laws and regulations (such as the Act on Rationalizing Energy Use and the Act on Promotion of Global Warming Countermeasures) and various governmental policies, and we will view adaptation to changes in the business environment due to climate change as an opportunity for further growth and incorporate these into our policies and specific initiatives.

We define our initiatives related to climate change in the ITOCHU Group Environmental Activities Policies "2. Response to Climate Change: We shall reduce greenhouse gas (GHG) emissions and increase the efficiency of energy use within our own operations, as well as externally provide products and services that contribute to the mitigation and adaptation to climate change." In March 2021, our Board of Directors approved the inclusion of GHG emissions reduction targets for 2030, 2040, and by 2050 as core targets for our medium-term management plan, Brand-new Deal 2023. These targets are in line with Japan's NDC, which we aim to achieve by reducing avoidable emissions and actively promoting businesses that contribute to reductions. Under our corporate philosophy of the *Sampo-yoshi* approach, we will respond to climate change risks and opportunities in collaboration with the stakeholders to increase our corporate value.

Governance

ITOCHU views responding to climate change and other sustainability issues as an important management issue. Our Board of Directors gives due consideration to response policies for climate change-related risks and opportunities and GHG reduction targets and initiatives, and incorporates these policies into deliberations and decisions on annual budgets, business plans, and other core matters.

■ **Governance System Concerning Climate Change (As of June 18, 2025)**



* ERM: Enterprise Risk Management
● CEO: Chief Executive Officer
COO: Chief Operating Officer
CAO: Chief Administrative Officer
HMC: Headquarters Management Committee

Climate Change (Information Disclosure Based on TCFD Recommendations)

The ITOCHU Sustainability Committee is the body delegated with general management responsibilities concerning the proposal and implementation of the various policies that will enable us to respond to climate change and other sustainability matters. This Committee ascertains, manages, and evaluates climate-related targets, the implementation status of transition plans, and current environmental and social risks and opportunities. ITOCHU's Chief Administrative Officer (CAO) is the director responsible for climate-related issues and is also a member of the Headquarters Management Committee (HMC). The CAO also serves as chair of the Sustainability Committee. The CAO provides a report to the Board of Directors approximately twice per year on matters deliberated and decided by the Sustainability Committee in addition to a report on the status of major sustainability promotion activities. This creates an organization that allows the Board of Directors to appropriately supervise business and financial strategies (including reviewing strategy and making divestment and asset replacement decisions) for responding to environmental and social risks and opportunities while giving proper consideration to matters deliberated and decided by the Sustainability Committee. As the executive level, management from each Company and administrative division also serving as ESG Officers participate in Sustainability Committee meetings as core members. The Sustainability Committee receives reports on climate-related matters from the Sustainability Management Division and ESG Managers from each Company and administrative division. We use these reports towards progress management and monitoring for each policy and various initiatives.

In 2021, our Board of Directors approved the inclusion of growth strategy and GHG emissions reduction targets in our medium-term management plan, Brand-new Deal 2023. This decision reflects our commitment to the climate-related issues impacting our Company and we believe this will enable us to lead the industry in realizing a decarbonized society in enhancing our contribution to and engagement with the SDGs through business activities. Based on this decision by the Board of Directors, the Sustainability Committee deliberates specific policies and targets related to decarbonized initiatives. Each business division works continuously to implement these policies and initiatives approved by the CAO, the director in charge, and progress is reviewed by the Sustainability Committee. Our Board of Directors has further resolved to continuously respond to social demand by aiming to balance both sustaining the basic policies outlined in the previous medium-term management plan and to promote businesses that contribute to emissions reduction and reflected it in the Management Policy "The Brand-new Deal" formulated in 2024.

The chair of the Sustainability Committee and management from each Company and administrative division (ESG Officers) meet with external experts (a Sustainability Advisory Board) once a year to engage in dialogue towards making continuous improvements to our response to climate change and other sustainability issues. Through this dialogue, we promote climate change countermeasures based on an understanding of society's expectations and demands on ITOCHU.

Climate-related Meetings Held by the Board of Directors and Committees	Frequency of Meetings and Reports	Main Items Deliberated or Reported on (FYE 2019 to FYE 2025)

The Board of Directors	• Periodic reports are made at least once a year
	• Results
	  • Once in FYE 2019
	  • 2 times in FYE 2020
	  • Once in FYE 2021
	  • 2 times in FYE 2022
	  • 3 times in FYE 2023
	  • 4 times in FYE 2024
	  • 3 times in FYE 2025
		• FYE 2019
		  • Announcement of support for the TCFD recommendations
		• FYE 2020
		  • Disclosure based on the TCFD recommendations, calculation of Scope3 emissions
		• FYE 2021
		  • GHG reduction target, Disclosure based on the TCFD recommendations
		• FYE 2022
		  • Creation of medium-term management plan, Brand-new Deal 2023. (Growth strategy and GHG emissions reduction targets towards leading the industry in realizing a decarbonized society in enhancing our contribution to and engagement with the SDGs through business activities.)
		  • Report on ITOCHU SDGs/ESG initiatives
		• FYE 2023
		  • Confirmation of the Material Issues
		  • Policy for GHG emissions reduction
		  • Monitoring of Scope1/2/3 results
		• FYE 2024
		  • Status of GHG emissions reduction roadmap
		  • Results and forecast of avoided emissions
		• FYE 2025
		  • Response to new information disclosure requests
		  • Response to climate change
		  • Response to natural capital

Sustainability Committee	• Usually held 1 to 2 times a year
	• Results
	  • Once in FYE 2019
	  • 2 times in FYE 2020
	  • Once in FYE 2021
	  • Once in FYE 2022
	  • 3 times in FYE 2023
	  • 3 times in FYE 2024
	  • 2 times in FYE 2025
		• FYE 2019
		  • Announcement of support for the TCFD recommendations
		• FYE 2020
		  • Disclosure based on the TCFD recommendations, calculation of Scope3 emissions
		• FYE 2021
		  • GHG reduction target, Disclosure based on the TCFD recommendations
		• FYE 2022
		  • Confirmation of Scope1/2/3 results, status of progress on reduction targets
		• FYE 2023
		  • Confirmation of the Material Issues
		  • Policy for GHG emissions reduction
		  • Monitoring of Scope1/2/3 results
		• FYE 2024
		  • Status of GHG emissions reduction roadmap
		  • Results and forecast of avoided emissions
		• FYE 2025
		  • Revision of The ITOCHU Group Environmental Policy
		  • Revision of Sustainability Action Guidelines for Supply Chains and expansion of distribution
		  • GHG-related reporting

Climate Change (Information Disclosure Based on TCFD Recommendations)

Strategy

ITOCHU applies the Policy and Basic Concept Concerning Climate Change (P49) to analyze scenarios based on TCFD recommendations (analysis of transition and physical risks and opportunities associated with climate change). We use the results of these analyses to realign our business strategy and portfolio.

Climate-related Risks and Opportunities

ITOCHU is engaged in various businesses in locations around the world. Each business is impacted by various short-, medium-, and long-term climate change transition risks and physical risks. As such, ITOCHU globally identifies, evaluates, and manages risks and opportunities with the possibility to have a material financial impact on our business, supply chain, and strategy. We conduct such analysis and evaluation throughout each business proposal management process and in our environmental and social risk management processes, which includes climate change.

■ **Material Climate-related Risks and Opportunities (risk criteria)**

Climate-Related Risks and Opportunities		Impact of Climate-related Risks and Opportunities on the Organization's Business, Strategy, and Financial Planning	Impact Timeline*	Impacted Value Chains	Related Businesses
Transition Risks and Opportunities	Policy and Legal Systems	• If countries around the world take a more aggressive approach in their GHG emissions reduction targets and subsequently strengthen laws and regulations regarding corporate emissions, fossil fuel demand may see a sharp decrease. • Increased operating costs due to carbon pricing (carbon tax, etc.) or business regulations	Medium-term Long-term	Upstream, ITOCHU Group	Power generation business, Fossil fuel business, Iron ore business, Automobile business, Chemicals business
	Technical Innovation	Business opportunities that contribute to mitigation to climate change are expected to increase (e.g., renewable energy, energy storage systems, low-carbon fuels, low-carbon emission steelmaking raw materials, etc.)	Short-term Medium-term Long-term	ITOCHU Group	Renewable energy, Energy storage system businesses, Low-carbon fuel business, New material business, Iron ore business
	Changes in Market Conditions	Demand for certain products and services may increase or decrease due to market risks related to public policy, laws and regulations, or technological advancements (e.g. clean technology)	Short-term Medium-term Long-term	Upstream, ITOCHU Group	Fossil fuel business, Chemicals business, Automobile business, Renewable energy, Energy storage systems businesses, New material business, CCUS/ emissions credit-related businesses
Physical Risks and Opportunities	Acute Physical Risks and Opportunities	Operations may be impacted or damaged by increased occurrences of extreme weather patterns (e.g., droughts, floods, typhoons, hurricanes, etc.)	Short-term Medium-term Long-term	Upstream, ITOCHU Group, downstream	Food business, Forestry-related businesses, Mining business
		We may be able to strengthen customer retention and/or attraction by strengthening our supply chain resilient to extreme weather patterns and promoting stable supply as a value proposition	Short-term Medium-term Long-term	Upstream, ITOCHU Group, downstream	Food business, Forestry-related businesses
	Chronic Physical Risks and Opportunities	Our capability to maintain and increase the quantity of agricultural and forestry-related harvests, as well as products manufactured using these yields, may be impacted by climate-related changes such as increasing temperatures and likelihood of droughts.	Medium-term Long-term	Upstream, ITOCHU Group, downstream	Food business, Forestry-related businesses

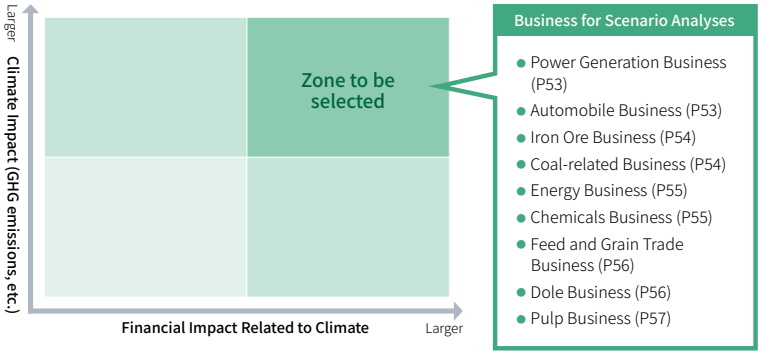
* Short-term: less than one year, medium-term, up to three years, long-term: four or more years

Climate Change (Information Disclosure Based on TCFD Recommendations)

Scenario Analysis

Scenario Selection

ITOCHU categorized our businesses with climate impact, such as GHG emissions volume on the vertical axis and climate-related financial impact on the horizontal axis and analyzed our businesses with priority given to those mapped in a zone where both dimensions are high. Based on this, we designated the following businesses as targets for scenario analysis: “Power Generation,” “Energy,” “Coal-related,” “Iron Ore,” “Automobile,” and “Chemicals” as businesses with significant transition risk impacts, including policy and legal risks, and “Dole,” “Feed and Grain Trade,” and “Pulp” as businesses with significant physical risk impacts from climate change. The above nine businesses are included in the four non-financial sectors (energy, transportation, materials and buildings, and agriculture, food, and forest products) designated by the TCFD as potentially highly affected by climate change.



Definition of Scenario Groups

When considering ITOCHU scenario analysis, we referenced materials published by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). These materials are highly recognized internationally for their credibility, are referenced in TCFD recommendations, and cover a broad range of business domains. As a result, we set the following two scenarios.

As the reduction targets of various countries, international guidelines, and investor demands are mainstreaming the goal of limiting the increase to 1.5°C above pre-industrial levels, we will continuously review the risks, opportunities, and mitigation measures based on the parameters and business environment approximately every 1 to 2 years.

Scenario		4°C	1.5°C
Image of society		The policies of countries, such as the Intended Nationally Determined Contributions (INDC) established in accordance with the Paris Agreement, are implemented. Nevertheless, the average temperature at the end of this century rises by 4°C. This is a society in which there is a high likelihood climate change (e.g., a rise in temperature) will impact business.	Bold policies and technological innovations will be promoted to limit the average temperature increase to 1.5°C until the end of the century and achieve sustainable development. This is a society in which social changes due to the transition to a de-carbonized society are highly likely to impact business.
Reference scenarios	Transition aspects	● Stated Policies Scenario (IEA WEO2024*) ● Stated Policies Scenario (ETP WEO2020), etc.	● Net Zero Emissions by 2050 Scenario (IEA WEO2024) ● Announced Pledges Scenario (IEA WEO2024), etc.
	Physical aspects	● RCP8.5 (IPCC AR5), SSP5-8.5 (IPCC AR6), etc.	● RCP2.6 (IPCC AR5), SSP1-1.9, SSP1-2.6 (IPCCAR6), etc.
Risks and opportunities		Risks and opportunities in terms of physical aspects will be more likely to surface	Risks and opportunities in terms of transition aspects will be more likely to surface

* IEA WEO2024 “Net Zero Emissions by 2050 Scenario”: A scenario that shows a possible path for the global energy sector to achieve net zero GHG emissions by 2050 and limit temperature rise to 1.5°C above pre-industrial levels.

Important Input Parameters and Prerequisites for the Climate-related Scenarios

Important input parameters and prerequisites for the climate-related scenarios we used include the following types of parameters.

Parameters Used to the Power Generation Business in the US	Timeframe: By 2040	
	4°C Scenario	1.5°C Scenario
Carbon price	● N/A	● US$205/t-$CO_2$
Thermal power generation	● Coal: 5,650TWh ● Gas: 6,405TWh	● Coal: — ● Gas: 1,256TWh
Renewable energy generation	● Solar: 14,912TWh ● Wind: 9,492TWh ● Geothermal: 271TWh ● Solar Heat: 115TWh	● Solar: 24,846TWh ● Wind: 17,293TWh ● Geothermal: 529TWh ● Solar Heat: 731TWh
Low-carbon thermal power generation	● Hydrogen and ammonia: 80TWh ● Thermal power with CCUS: 79TWh	● Hydrogen and ammonia: 878TWh ● Thermal power with CCUS: 833TWh

Climate Change (Information Disclosure Based on TCFD Recommendations)

Scenario Analysis and Results

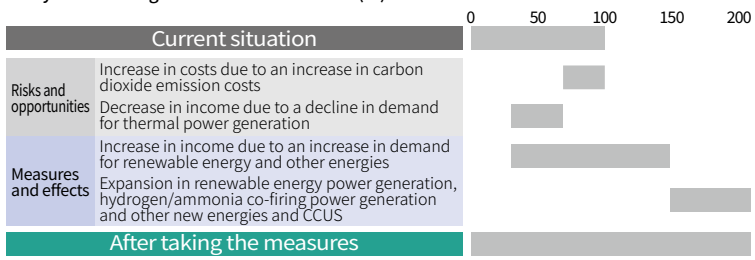
For the scenario analysis, ITOCHU did not limit the timeline range to the short-term. We also added medium- and long-term axes for 2030 and beyond when organizing and evaluating the factors of latent risks and opportunities that could have a significant qualitative or quantitative financial impact for each business. We identified risk and opportunity factors from the perspective of procurement, business operations, and markets' demand for the subject business, and then organized and evaluated factors of high importance. For particularly important factors, our scenario analysis was based on financial models that reflect defined parameters. We defined these parameters by identifying variables that significantly impact transition and physical risks and opportunities. For the analysis of financial impact level, we measured the latent impact level of climate change and analyzed the financial impact level, including the effect of risk and opportunity measures.

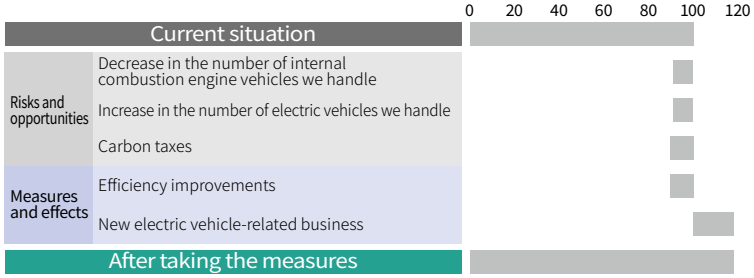
The quantitative information used in our scenario analysis reflects judgments made by ITOCHU based on scenarios prepared by sources such as the IEA. While we worked to increase analysis precision, the analysis does include numerous uncertainties.

1. Businesses for Which Transition Risks Are the Main Issues

The main issues for following six business are transition risks in the 1.5°C scenario.

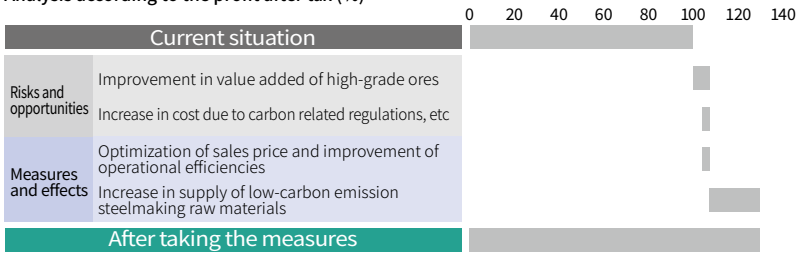
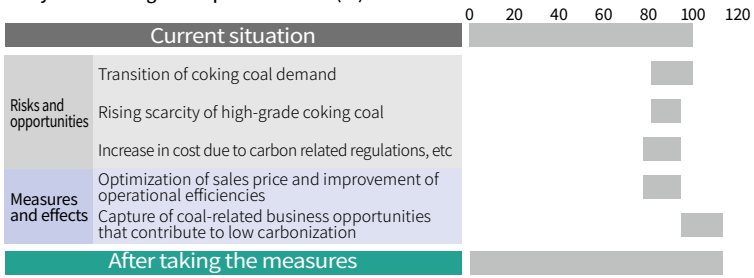
Business Profile		Power Generation Business	Automobile Business
Timeframe		By 2040	By 2030
Temperature Band Scenario		1.5°C Scenario	
Main risks and opportunities	Transition	Risk: Decrease in thermal power station earnings due to effects such as an increase in carbon dioxide emission costs Risk: Decline in demand for thermal power generation Opportunity: Improvement in profitability due to an expansion in renewable energy business opportunities, technological advances and cost reductions Opportunity: Increase in earnings due to the increased use of hydrogen/ammonia co-firing power generation, CCUS and other technologies	Risk: The number of internal combustion engine vehicles we handle may decrease Opportunity: The number of electric vehicles we handle may increase Opportunity: New business may expand with the spread of electric vehicles Risk: Transportation costs may rise due to the introduction of carbon taxes
	Physical	Risk: Damage to power generation facilities by natural disasters (extreme weather)	Risk: There is a risk the factories of our business partners may suffer damage and suspend operations
Business environment under the scenario Business impact assessment		Earnings may decrease due to an increase in carbon dioxide emission costs and a decline in demand for thermal power generation in the transition scenario. On the other hand, earnings are expected to increase overall due to an expansion in new energies including renewable energy power generation, hydrogen/ammonia co-firing power generation and CCUS. **Analysis according to the EBITDA indicator (%)***	The automobile industry is shifting from internal combustion engine vehicles to electric vehicles. Our customers are found all over the world. That means we can expect automobile demand to remain firm despite the expectation there will be a gradual shift in the vehicles we handle from internal combustion engine vehicles to electric vehicles in line with the regulations of each country. It is also expected that the introduction of carbon taxes may lead to an increase in transportation costs in some regions. We will continue to maintain competitiveness by working with our partners to reduce costs. We will aim to obtain further earnings by strengthening our storage battery and other related businesses with the spread of electric vehicles. **Analysis according to the Gross trading profit indicator (%)**
• Adaptation/mitigation measures & policies • Business opportunities		• We aim to have a renewable energy ratio of over 20% (equity interest basis) by FYE 2031. We will reflect this aim in our future initiatives. • We will not develop new coal-fired power generation projects to contribute to the building of a sustainable society.	• We will continue to expand business by ascertaining demand trends by region based on the electric vehicle development and production situation of automobile manufacturers and trends in electric vehicle-related regulations in the countries where we sell our products. • We will strengthen relationships with business partners who are reducing GHG in regard to freight forwarders and marine transportation companies. • We will develop and expand business by linking up with partners who are mainly automobile manufacturers to expand our electric vehicle-related business.
Financial information		• Profit in segment of applicable business (consolidated net profit): 56.9 bn yen (Plant Project, Marine & Aerospace Division/FYE 2025 Results) • Total assets in segment of applicable business: 2,166.6 bn yen (Machinery Company/March 2025)	• Profit in segment of applicable business (consolidated net profit): 79.6 bn yen (Automobile, Construction Machinery & Industrial Machinery Division/FYE 2025 Results) • Total assets in segment of applicable business: 2,166.6 bn yen (Machinery Company/March 2025)



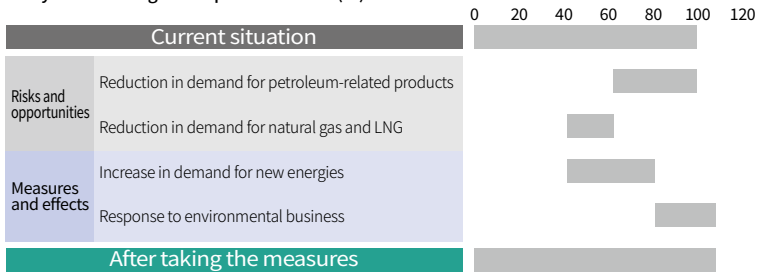
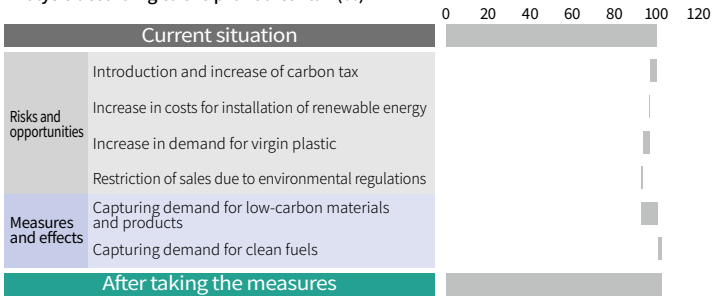


* Earnings before interest, taxes, depreciation and amortization (This refers to earnings calculated by adding interest expenses and depreciation expenses to earnings before tax.)

Climate Change (Information Disclosure Based on TCFD Recommendations)

Business Profile		Iron Ore Business	Coal-related Business
Timeframe		By 2050	By 2040
Temperature Band Scenario		1.5°C Scenario	
Main risks and opportunities	Transition	Opportunity: Improvement in value added of high-grade ores Risk: Increase in cost due to carbon related regulations, etc Opportunity: Optimization of sales price and improvement of operational efficiencies Opportunity: Increase in supply of low-carbon emission steelmaking raw materials	Risk: Transition of coking coal demand Opportunity: Rising scarcity of high-grade coking coal, which is essential for the low-carbon steelmaking processes Risk: Increase in cost due to carbon related regulations, etc Opportunity: Optimization of sales price and improvement of operational efficiencies Opportunity: Capture of coal-related business opportunities that contribute to low carbonization such as hydrogen, CCUS, etc
	Physical	Risk: Disruption of the iron ore supply chain due to frequent weather disasters	Risk: Disruption of the coal supply chain due to frequent weather disasters
Business environment under the scenario Business impact assessment		Carbon related regulations are expected to increase cost such as the purchase of emission credits rights according to GHG emissions. Nevertheless, the impact on earnings will be limited due to optimization of sales prices in iron ore supply chain and improvement of operational efficiencies including policy to reduce GHG emissions and promotion of digital transformation, etc. Further growth is expected by strengthening the production of high-grade ore, for which demand is expected to increase due to the acceleration of the shift to decarbonization, and steadily seizing business opportunities in iron ore and related fields, such as creation of businesses related to low-carbon emission steelmaking raw materials. **Analysis according to the profit after tax (%)** 	Under 1.5°C Scenario overall demand for coking coal is expected to decrease due to the advancement of electric furnaces and the spread of direct reduced iron. On the other hand, the number of coal mines capable of supplying high-quality high-grade coking coal will become more limited than before, and such coal is needed not only for the conventional blast furnace method but also for the blast furnace hydrogen reduction process, so it is expected to become relatively scarce. Carbon related regulations are expected to increase cost such as the purchase of emission credits rights according to GHG emissions. Nevertheless, the impact on earnings will be mitigated due to optimization of sales prices in coal supply chain and improvement of operational efficiencies including policy to reduce GHG emissions and promotion of digital transformation, etc. In the medium and long term we will aim to maintain and expand profits by capturing business opportunities in coal-related fields, such as CCUS (Carbon dioxide Capture, Utilization and Storage), which includes promoting the spread of CO_2 fixation technology, and hydrogen utilization, etc. **Analysis according to the profit after tax (%)** 
• Adaptation/mitigation measures & policies • Business opportunities		• We will closely monitor trends in low-carbon emission steelmaking technologies and promote initiatives to ensure a stable supply of low-carbon emission steelmaking raw materials. • We will promote initiatives to improve operational efficiencies including policy to reduce GHG emissions and digital transformation.	• Regarding high-grade coal, which contributes to the low-carbonization of steel, we are expanding supply from superior interests while improving asset efficiency. • We will promote initiatives to improve operational efficiencies including policy to reduce GHG emissions and digital transformation. • We will closely monitor trends in low-carbon emission steelmaking technologies and capture business opportunities in coal-related fields that contribute to the low-carbonization of related industries, while identifying changes in social structure.
Financial information		• Profit in segment of applicable business (consolidated net profit): 178.4 bn yen (Metals & Minerals Company/FYE 2025 Results) • Total assets in segment of applicable business: 1,506.4 bn yen (Metals & Minerals Company/March 2025)	• Profit in segment of applicable business (consolidated net profit): 178.4 bn yen (Metals & Minerals Company/FYE 2025 Results) • Total assets in segment of applicable business: 1,506.4 bn yen (Metals & Minerals Company/March 2025)

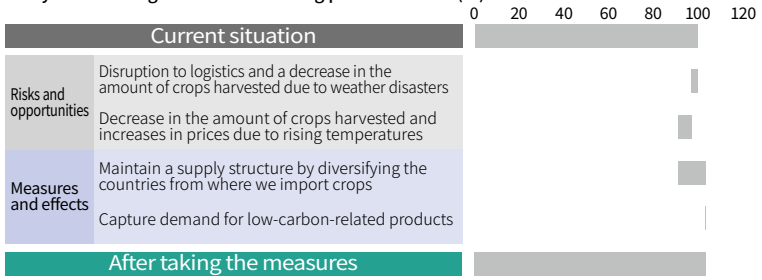
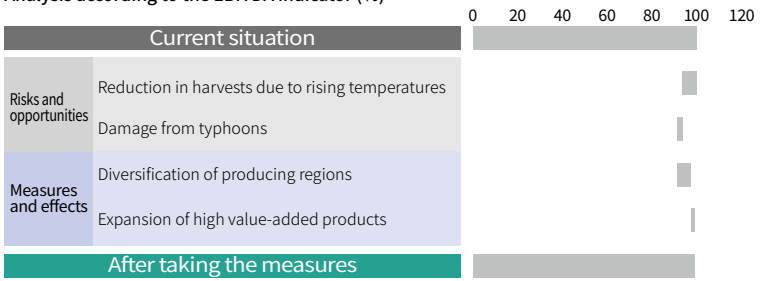
Climate Change (Information Disclosure Based on TCFD Recommendations)

Business Profile		Energy Business	Chemicals Business
Timeframe		By 2040	By 2030
Temperature Band Scenario		1.5°C Scenario	
Main risks and opportunities	Transition	Risk: Countries may introduce regulations (e.g., carbon taxes) to realize a decarbonized society. This may cause global demand for oil to decrease. Demand for natural gas and LNG is also expected to shrink after 2030, but a certain level of demand for LNG as a transition fuel is expected to remain, especially in Asia Opportunity: Demand for new energies (e.g., hydrogen, ammonia and renewable fuel) may increase as alternatives to fossil fuels Opportunity: Business opportunities may increase for carbon dioxide capture, utilization and storage (CCUS) to reduce GHG	Risk: Introduction and increase of carbon tax Risk: Decrease in demand for virgin plastic due to widespread adoption of recycling Opportunity: Increase in demand for low-carbon / decarbonization-related materials and products Opportunity: Increase in demand for clean fuels and chemical raw materials
	Physical	Risk: Production facilities could be damaged in a natural disaster (extreme weather)	Risk: Damage to facilities / inventories and shutdown of operations caused by typhoons, floods, etc Opportunity: Increase in demand for chemical materials and products related to production increase, preservation and stockpile of food
Business environment under the scenario Business impact assessment		Under the 1.5°C scenario, we expect global demand for oil to diminish and demand for natural gas and LNG to contract after 2030, but we aim to maintain and increase earnings by capturing opportunities to trade alternative fuels and develop new environmental businesses, such as CCUS. Although production facilities could be damaged due to natural disasters (extreme weather), the impact of damage is expected to be limited due to disaster countermeasures taken in cooperation with partner companies. **Analysis according to the profit after tax (%)** 	Under the transition scenario, while the introduction and increase in carbon tax will increase costs and lower demand for virgin plastics will result in lower sales and profits, our chemical business will be able to increase earnings by capturing opportunities in environmental businesses such as recycled plastics, bioplastics, clean ammonia and methanol, where demand is expected to increase. **Analysis according to the profit after tax (%)** 
• Adaptation/mitigation measures & policies • Business opportunities		• We will focus our efforts on new energy, CCUS and other environmental businesses, and aim to restructure our energy business portfolio in line with the industrial structure in the decarbonization scenario. • Although demand for natural gas and LNG is expected to decline in the long term, we will continue to participate in projects and seize trade opportunities whilst taking into account societal needs, including the importance of natural gas as a raw material for hydrogen and a transitional fuel. As for our upstream petroleum-related assets, we will look to replace them and improve their efficiency in line with the decarbonization scenario.	• Accelerate progress toward a decarbonized society through energy saving measures, procurement of renewable energy, etc. • Taking the initiative in realizing resource circulation by providing a 3R platform and sustainable cycle. • Restructuring our chemical business portfolio by accelerating our efforts in environment-related businesses, such as sourcing of environmentally friendly raw materials.
Financial information		• Profit in segment of applicable business (consolidated net profit): 35.9 bn yen (Energy Division/FYE 2025 Results) • Total assets in segment of applicable business: 1,652.0 bn yen (Energy & Chemicals Company/March 2025)	• Profit in segment of applicable business (consolidated net profit): 33.7 bn yen (Chemicals Division/FYE 2025 Results) • Total assets in segment of applicable business: 1,652.0 bn yen (Energy & Chemicals Company/March 2024)

Climate Change (Information Disclosure Based on TCFD Recommendations)

2. Businesses for Which Physical Risks Are the Main Issues

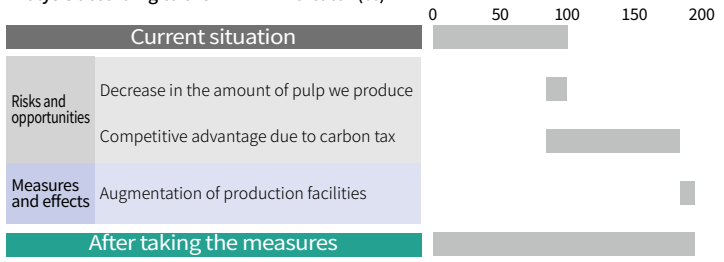
The main issues for agriculture- and forestry-related businesses are physical risks in the 4°C scenario.

Business Profile		Feed and Grain Trade Business	Dole Business
Timeframe		By 2030	
Temperature Band Scenario		4°C Scenario	
Main risks and opportunities	Transition	Opportunity: We may capture demand with feed products and other low-carbon-related products which contribute to reducing GHG	Opportunity: Enhance the adoption of renewable energy solutions, such as solar power generation and biomass boilers, and the biogas power generation using in-house organic resources including residues from pineapple, banana and other fruit-base wastes
	Physical	Risk: Decrease in the amount of crops harvested and logistics disruption due to large hurricanes, droughts and other extreme weather in countries from where we import crops Risk: The amount of crops harvested may decrease and transaction prices may increase in countries from where we import crops due to rising temperatures Opportunity: We may maintain a supply structure by diversifying the countries from where we import crops and capture demand for grain	Risk: Reduction in harvest volumes due to extreme weather (floods, typhoons and droughts etc.) in banana and pineapple plantations in the Philippines
Business environment under the scenario Business impact assessment		The decrease in the amount of crops harvested due to weather disasters and rising temperatures may lead to supply instability and increases in prices. However, we can maintain a supply structure by diversifying the countries from where we import crops and then provide further opportunities for low-carbon-related products. **Analysis according to the Gross trading profit indicator (%)** 	The decrease in harvest volumes attributable to extreme weather events can be mitigated by improving the unit yield through the development of resistant varieties and production methods (cultivation and irrigation etc.). We will diversify production areas and procurement sources (Sierra Leone and Vietnam etc.) for preparation against weather risks, and expand our portfolio of high value-added products. The above initiatives will make it possible to maintain earnings. **Analysis according to the EBITDA indicator (%)*** 
• Adaptation/mitigation measures & policies • Business opportunities		• We will diversify the countries from where we import crops to prepare for the acute and chronic impacts from climate change. • We will engage in new environmental-related business such as feed which leads to a curb on methane emissions.	• We will diversify producing areas and procurement sources in preparation for weather risks (Sierra Leone and Vietnam etc.). • We will increase unit yield by implementing advanced production methods, including the developing resistant varieties, improving seedling cultivation methods, and installing irrigation equipment. • We will use drones and ICT to increase the efficiency of production (agricultural chemical spraying location identification, yield prediction, and timely and accurate fertilization.) • We will contribute to low carbonization and water resource protection, capture the support of environmentally-conscious consumers and increase our brand value by expanding the introduction of recycling-based clean energies and renewable energies such as solar power. • We will expand our portfolio to include a diverse range of high value-added product offerings.
Financial information		• Profit in segment of applicable business (consolidated net profit): 33.3 bn yen (Provisions Division/FYE 2025 Results) • Total assets in segment of applicable business: 2,359.8 bn yen (Food Company/March 2025)	• Dole International Holdings net profit: (1.4) bn yen (FYE 2025 Results) • Total assets in segment of applicable business: 2,359.8 bn yen (Food Company/March 2025)

* Earnings before interest, taxes, depreciation and amortization (This refers to earnings calculated by adding interest expenses and depreciation expenses to earnings before tax.)

Climate Change (Information Disclosure Based on TCFD Recommendations)

Business Profile		Pulp Business
Timeframe		By 2030
Temperature Band Scenario		4°C Scenario
Main risks and opportunities	Transition	Risk: Risk of the diversion of the use of timber to products other than paperboard products (competition in demand for timber) Opportunity: Improvement in competitive advantage if the cost of carbon tax increases because we already use 100% biomass energy in pulp manufacturing Opportunity: Preference for renewable and non-fossil resource-derived raw materials (timber)
	Physical	Risk: Change in the suitable areas for growing trees for each species due to the temperature rise. Decrease in the amount produced depending on the species and region (pine trees throughout Finland and spruce trees in the south of the country) Risk: Impact on procurement and production from rainstorms, droughts, floods, forest fires, pests, frozen soil thawing and other issues
Business environment under the scenario Business impact assessment		The amount produced is expected to decrease in some areas due to the rise in the global average temperature. Nevertheless, we can continue to improve earnings by increasing the amount of pulp we produce with the augmentation of facilities in afforestation regions where the amount produced is expected to increase. **Analysis according to the EBITDA indicator (%)***
• Adaptation/mitigation measures & policies • Business opportunities		• We will utilize our strengths in the paper pulp business to contribute to the elimination of plastics and promote the launch onto the market of new materials which will contribute to sustainability. We invest in Paptic Ltd. in Finland and Transend Packaging Ltd. in the U.K. We continue development of cellulose nanofiber applications. Through such efforts, we will develop new markets in high value-added fields with forest-derived pulp serving as the main raw material. • The impact from the rise in temperature on the amount of pulp we produce will differ between northern and southern Finland. Accordingly, we will consider a production structure based on the location of afforestation regions and factories in Finland. We are planning to improve operating rates in northern Finland in particular with our minds focused on increasing the amount of pulp we produce. We made a large capital investment in a pulp factory in northern Finland through Metsä Fibre Oy in 2023 to raise production capacity (approximately 20% increase). We will aim for stable business operation by dispersing geographical risks relating to timber procurement and other areas through the dispersion of factory locations and production capacity.
Financial information		• Profit in segment of applicable business (consolidated net profit): 30.2 bn yen (Forest Products, General Merchandise & Logistics Division/FYE 2025 Results) • Total assets in segment of applicable business: 1,475.0 bn yen (General Products & Realty Company/March 2025)



* Earnings before interest, taxes, depreciation and amortization (This refers to earnings calculated by adding interest expenses and depreciation expenses to earnings before tax.)

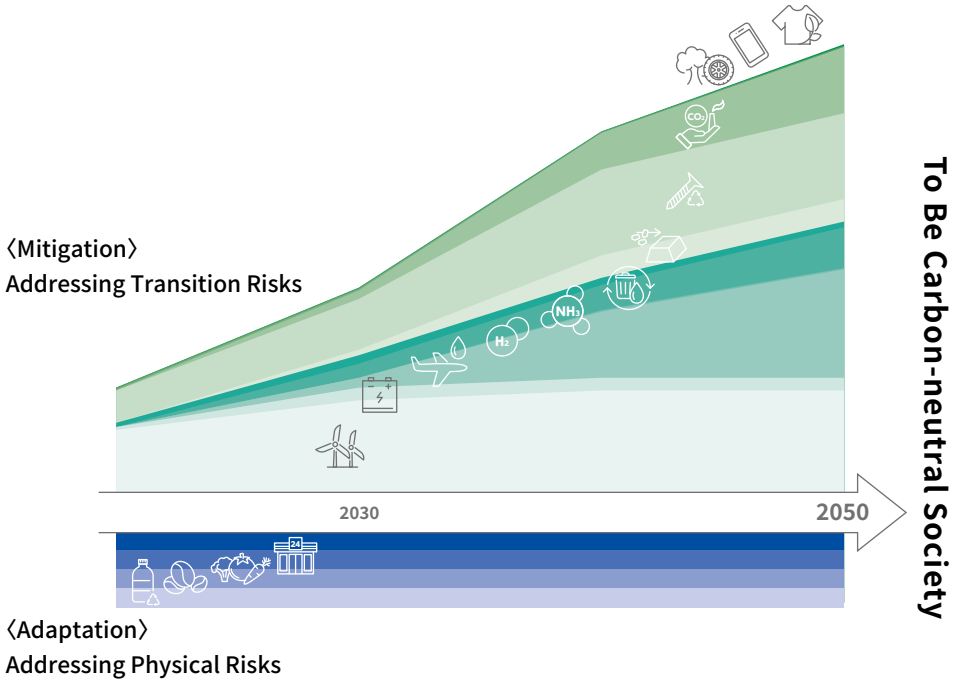
Impact on Existing Strategies and Business Transition Plans

During ITOCHU's scenario analysis, we ascertained high-impact negative financial risks associated with not implementing climate change measures such as shifting current business strategy or business regions. As a result, we have been steadily promoting specific business transition plans and financial plans (including divestment and asset replacement) in line with our Management Policy "The Brand-new Deal" based on the basic policy of enhancing our contribution to and engagement with the SDGs through business activities.

Transition Plans for Main Businesses Subject to Transition Risks

In 2021, together with ITOCHU's GHG emissions reduction targets, we announced our management plan to actively promote clean-tech business and other businesses that contribute to GHG emissions reduction as a way to enhancing contribution and engagement with the SDGs. This basic policy is carried over to the Management Policy "The Brand-new Deal" formulated in 2024. Through our own businesses, we aim to achieve a situation where the amount of our avoided emissions exceeds our GHG emissions by 2040.

Many innovative businesses leveraging cutting-edge technologies for decarbonization require time for fully social implementation. We are promoting businesses that contribute to emission reductions from a medium- to long-term perspective to achieve this goal.



Climate Change (Information Disclosure Based on TCFD Recommendations)

■ **Businesses Identified as Examples of Contributing to GHG Emissions Reduction and Strengthening Efforts toward the SDGs**

Business	Summary
Environmentally Friendly Fibers	● Contribution to a circular economy through expansion of sustainable materials.
Water and Waste Treatment	● Developing businesses centered on Europe and the Middle East through collaboration with leading partners. ● Operation of the world's largest energy-from-waste (EfW) project in Dubai.
Renewable Energy	● Promoting power generation businesses, including wind, solar, and geothermal, mainly in North America, Europe, and Asia. ● Operating and providing maintenance services for solar power plants at approximately 1,400 locations in North America.
Recycling of Metal Scrap, etc.	● Developing a wide range of recycling businesses of materials including metal scrap, by utilizing a nationwide network of recycling companies and providing waste management services.
Low-carbon Iron	● Promoting the construction of a low-carbon iron supply chain that contributes to decarbonization of the steel industry.
CCUS (Carbon dioxide Capture, Utilization and Storage)	● Collaboration with domestic and overseas business partners to commercialize the utilization of mineral carbonation technologies by Australia-based MCi. ● Participate in a project commissioned by the New Energy and Industrial Technology Development Organization (NEDO), and also conduct R&D and demonstration projects for liquefied CO_2 transportation technology.
Energy Storage Systems/Renewable Energy	● Promoting next-generation power services and environmental value trading by utilizing in-house brand AI-equipped ESSs and distributed solar power generation networks. ● Developing next-generation batteries and promoting recycling-oriented businesses by reusing batteries for EVs. ● Promoting renewable energy power sources, such as solar, biomass, and wind power.
Sustainable Aviation Fuel/Renewable Diesel Fuel	● Selling Sustainable Aviation Fuel (SAF) to airlines for the first time in Japan and promotion of renewable diesel.
Hydrogen and Ammonia	● Promoting the establishment of a green hydrogen value chain in collaboration with Denmark-based Everfuel A/S. ● Developing ammonia-fueled vessels and creating a proprietary operation model, developing a bunkering business, utilizing ammonia as an alternative fuel for power generation, and promoting manufacturing and marketing operations in Canada and elsewhere in order to build a value chain for clean ammonia.
Plastic Recycling	● Developing plastic recycling businesses with leading partners boasting recycling technologies. ● Product development using marine plastic waste as raw material.
Sustainable Coffee Beans and Vegetable Oil	● Stably supplying sustainable products and third-party certified products to eliminate child labor and environmental damage. ● Building raw material supply chains with established sustainability in production, distribution, and processing.
Production and Processing of Fruits and Vegetables/ Waste Reduction	● Reducing low-quality products and residues in the production, distribution, and processing of Dole products.
Sustainable Natural Rubber	● Participate as a founding member in the global platform for sustainable natural rubber (GPSNR) to promote its production and use. ● Developing PROJECT TREE, a traceability system using blockchain, involving the entire value chain.
Secondhand Mobile Phone Distribution	● Entering the secondhand mobile distribution business by taking advantage of market trends such as excessive supply of new mobile phones and increased environmental impact due to mobile phone replacement.
CVS Business (FamilyMart)	● Improving operational efficiency and reducing food loss through supply chain reforms. ● Promoting FamilyMart Environmental Vision 2050, including efforts to reduce plastic use and GHG emissions.

Climate Change (Information Disclosure Based on TCFD Recommendations)

Transition Plans for Main Businesses Subject to Physical Risks

In agriculture and forestry businesses, we aim to expand sustainable operations by adopting cutting-edge technologies from a medium- to long-term perspective and promoting the following initiatives.

- Increase per-unit harvest volume by selecting breeds that are viable in high-temperature climates and improvements to production methods.
- Expand business into other regions projected to see growth in production volume.

Financial Strategy

The Division Company Management Committee (DMC) conducts annual reviews of business risks and opportunities, including those related to climate change. Each DMC examines business transition plans, and then drafts annual financial plans. The annual financial plans for each Company are presented for approval to the HMC, the executive body, and the Board of Directors, the supervisory body, before final approval by the Board of Directors. This final approval is subject to a comprehensive analysis and deliberations from an ESG perspective, including matters related to climate change. In order to facilitate a financial strategy based on ITOCHU's transition plan, we have developed a financing plan that limits the use of funds to projects that contribute to the SDGs.

1. SDGs Bond

In March 2021, ITOCHU issued SDGs Bond (Sustainability Bond totaling US 500 million dollars), which was allocated towards capital expenditures, manufacturing, R&D-related investments and procurement costs in climate-related subjects as well as R&D-related investments in procurement of certified food ingredients and costs of utilization of food residuals related to sustainable food systems like those indicated below:

- Efforts to reduce GHG emissions: Renewable Energy (generation and storage)
- Efforts to reduce GHG emissions in FamilyMart
- Sustainable Food System: Expanding procurement of certified food ingredients and utilization of food residuals

2. Green Loan

In September 2023, ITOCHU entered into the green loan agreement with Sumitomo Mitsui Trust Bank, Limited, and in December 2024, with The Bank of Fukuoka, Ltd. The green loan will be used for our qualified projects (renewable energy power generation projects, energy from waste projects, and projects for the circular economy).

Refer to: Sustainable Finance (P244)

We confirmed that implementing these types of transition plans and financial strategy will enable us to maintain resilient business operations, even in over the medium- and long-term, for ITOCHU Group businesses, products, and services. Beyond the scope of applicability to this scenario analysis, ITOCHU is engaged in diverse business activities in various regions. Those business activities are also impacted by climate change. However, at this point of time, we have determined that the impact on Group overall earnings caused by risks associated with each individual business activity would be limited.

To confirm the impact of climate change on overall Group business, we will continue to conduct analyses of both transition and physical risks. We will further identify and organize fields susceptible to significant impact and evaluate response policies based on an order of priority given to areas requiring a response.

Climate Change (Information Disclosure Based on TCFD Recommendations)

Risk Management

As a group engaged in global business operations, ITOCHU constantly monitors climate change policies in each country, the status of extreme weather around the world, and the business risks associated with changes in average temperatures. In the analysis of risks for our entire ITOCHU Group, we manage climate change risks identified based on an analysis of information concerning climate change measures, including regulatory information and extreme weather information, as one of the major risks (environmental and social risks) facing our company. Identified climate change risks are also examined and evaluated during our investment decision process. Each department in charge of risk management has established an organization for risk identification, evaluation, information management, and monitoring for the consolidated Group.

Identification and Evaluation of Climate Change Risks

ITOCHU considers those that may have a significant impact on the financial position and results of operations of the ITOCHU Group in the future as significant risks. We recognize risk management as an important management issue. Referencing the COSO-ERM framework, we outline our basic policy on risk management for ITOCHU and prepare the organizations and methods necessary for risk management.

Each Company and the Sustainability Management Division cooperate regularly to gather information to assess risk importance. This information includes trends in climate change policy and regulations, which mainly consist of existing and new regulations related to climate change in the countries in which we operate, climate-related technology, and clean-tech business. We also gather information on global extreme weather and average temperature increases. Importance is identified and assessed using specific indicators and from the perspective of ascertaining the substantive financial or strategic impact that climate risk may have on the Company. For example, for non-consolidated businesses, we identify an important risk as a risk that would cause a 10% change compared to previous fiscal year revenues, a 20% change in average net income for the most recent past five years, or a 30% change in net assets from the end of the previous year. For consolidated businesses, we would use a change of 10% from previous fiscal year revenues or a 3% change in total capital from the end of the previous year.

ITOCHU organizes the information we gather on climate change risks and opportunities into our Material Climate-related Risks and Opportunities (risk criteria), with analysis for both transition and physical risks. We use risk criteria to identify and assess climate change risks in the risk management process for each phase of business, including the start of a new business, existing businesses, handled products, supply chains, Group company business management, and business strategy reviews.

Climate change risks gathered during the risk assessment process are deliberated by the Sustainability Committee and other relevant committees to ensure we continuously review risk criteria and the risk identification process. During these deliberations, the relevant committees incorporate opinions received from the Sustainability Advisory Board, which promotes dialogue concerning sustainability between ITOCHU management and external stakeholders.

Integrating Climate Risk Management into the ITOCHU Group Risk Management System

Due to the nature of ITOCHU's broad-based operations, we are subject to various risks, including market risks, credit risks, and investment risks. In addition to establishing various internal committees and designated responsible departments, we have created a risk management organizational structure and management methods necessary to address these risks. This organizational structure includes outlining management regulations, investment standards, risk limits, and transaction limits, as well as establishing structures for reporting and monitoring to enable integrated Group risk management.

Climate change risks are one of the major environmental and social risks subject to Group risk management. We incorporate this risk management into the assessment methods for each business phase shown in the table below, which can broadly cover our business activities as a general trading company including management of investment, trading products, logistics, Group companies, supply chain, business strategy, and portfolio, etc.

Climate-related Risk Management Procedures and Evaluation Methods for Each Business Phase

Business Phase	Evaluation Method
Business start	● Environmental and social risk assessments including climate change risks for new investment project ● Shadow pricing for carbon tax costs, etc., and stress test (internal carbon pricing)
Business management	● Environmental risk assessments for handled products (LCA evaluation for overall supply chain) ● Group company environmental status survey (2, 3 companies per year) ● Supply chain sustainability surveys (supplier) ● Internal environmental audits based on ISO 14001 (ITOCHU, 3 applicable Group companies) ● Scope1/2/3 aggregation and year-on-year assessment ● Internal carbon pricing impact assessment (e.g., US$205/t-$CO_2$ in the case of power generation project (US))
Review business strategy	● Consider business strategy, asset replacement

If risks and opportunities are identified via the evaluation methods at each business phase, we use the tool shown on the next page in Risk Assessment & Management Activities to assess the impact of risks and opportunities on business. Risk Assessment & Management Activities include quantitative evaluations such as scenario analyses and stress tests, and qualitative evaluations such as assessments of compliance with investment policy and GHG reduction targets. Quantitative information for risks and opportunities not related to climate change is added to climate change risk and opportunity information that has been quantitatively assessed. This information is then used to analyze the level of contributions to earnings.

Climate Change (Information Disclosure Based on TCFD Recommendations)

Risk Assessment and Management Activities

The TCFD scenario analysis identified the following risk and opportunity factors, as well as assessment and management activities.

Managed Factor	Risk and Opportunity Factors (example)	Evaluation and Management Activities (example)
Market	• Decreased demand due to adoption of a carbon tax on energy (crude oil, gas, LNG) development projects • Increased LNG demand and increased demand for renewables and other new energy	• Scenario analysis • Policy on climate change in relation to investment decisions • Conformity to ITOCHU GHG emissions reduction targets • Compliance with policy on investment and growth in new energy solutions • Earnings contributions
Regulations	• Carbon tax on international transactions for energy and fuel • Adopt volume reduction requirements and emissions trading scheme (cap and trade scheme) in country of operation • Increased thermal power generation costs at power plants due to carbon tax and CCUS requirements	• Scenario analysis • Portfolio stress test • Regulatory monitoring • Carbon prices • Conformity to ITOCHU GHG emissions reduction targets
Technology	• Mobility electrification • Renewable energy and storage battery/lithium battery technology • CCUS, hydrogen/ammonia and other low carbon technologies • Digitized big data	• Monitoring technological trends related to risk factors • Increased investment in new energy solutions, CCUS, and new low-carbon technologies • Digitization roadmap
Physical risks	• Chronic effects (e.g., sea level rise, water scarcity increase) • Acute effects (e.g., more frequent extreme weather events)	• Regular updates to meteorological and ocean data for new business development/existing business risk assessments • Updates to physical impact data on food products
Reputation	• Maintaining company appeal in terms of personnel hiring • Investor awareness of climate change countermeasures • Climate-related lawsuits • Impact on acquiring licenses needed for business	• Governance for climate change issues • Ensuring transparency of performance disclosure • Communication with stakeholders (investors, initiatives, NGOs, business affiliates)

• Refer to: Our risk management, including climate change, related to Company operations (P228)

Climate Change Risk Management Organization

Business Start Phase

ITOCHU has established a multilayered decision-making process that seeks to realize swift decision-making by delegating discretionary power to each internal Company, while pursuing investment returns and controlling investment risks. Depending on the size and terms of a project, a review is conducted at the internal Company level or by the Investment Consultative Committee and the HMC.

As a member of the HMC and the Investment Consultative Committee, the CAO, who also serves as chair of the Sustainability Committee, participates in the screening of projects that exceed the authority of the Division Company President. This system reflects the content of deliberations at the specific stage of climate change risk and at the assessment stage of climate change risk for company-wide risk management.

• Refer to: Our business investment management (P233)

Business Management Phase

ITOCHU evaluates and manages risks such as climate change, natural disasters, and ESG investment identified in the business start stage and the business management stage through collaboration between responsible committees such as the Sustainability Committee and Internal Control Committee and a system of periodic monitoring and review of ITOCHU Group companies. Environmental and social risks, including climate change, are summarized as one of the major risks subject to centralized management. Each year, the Sustainability Management Division serves as the executive unit in charge of organizing this information and issuing reports to the Internal Control Committee along with information on the other major risks to integrate the risk information into company-wide risk management system. The Sustainability Committee also deliberates on policies and measures related to climate change risk and how to promote the risk management system, etc. The director serving as chair of the Sustainability Committee reports on the content of deliberations to the Board of Directors approximately twice per year.

As part of our specific climate-related risk management procedures, we compile the results of Scope1/2/3 for each of 8 Division Companies every year. The results are compiled in a form that allows for an assessment over time, and are reported to the Sustainability Committee and the Board of Directors after being approved by each Division Company. This process enables the Board of Directors to oversee progress toward achieving GHG emissions reduction targets from a medium- to long-term perspective, and is also used to review new business strategies.

In order to achieve our GHG emissions reduction targets, we promote climate change initiatives through dialogue with suppliers, sales clients, contractors, and business partners in our value chain.

Review Business Strategy

Reviews of business strategy related to climate change are conducted by DMC, and then by the HMC via the Investment Consultative Committee on which the CAO, who serves as the chair of the Sustainability Committee, also participates as a key member. Final decisions are made following deliberation by the Board of Directors. Scenario analysis based on TCFD recommendations is also used as a tool when considering business strategies and asset replacement. In ITOCHU's analysis, we analyze short-term, medium-term, and long-term climate-related risks and opportunities once a year for their impact on organization business, strategy, and financial planning.

Climate Change (Information Disclosure Based on TCFD Recommendations)

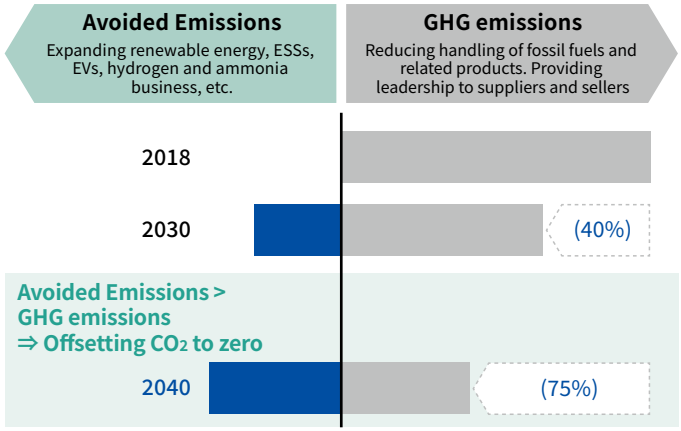
Metrics and Targets and Action Plan

ITOCHU has set the following targets for GHG emissions, electricity usage, and clean-tech business as part of our response to climate change risks and opportunities. When setting these metrics and targets, we reference, among others, the Paris Agreement, Japan's NDC and IEA materials, which are highly recognized internationally and can cover a wide range of business areas.

GHG Emissions Reduction Targets

- Metrics (aggregation range): Scope1/2/3 (ITOCHU and subsidiaries), fossil fuel business and interests (ITOCHU, subsidiaries, equity and general investments)
- Targets:
  - Achieve net zero GHG emissions by 2050.
  - Achieve 75% reduction from 2018 levels by 2040, aim for "offset zero"* through aggressive promotion of businesses with avoided emissions.

    * Offset zero: When avoided emissions exceed company GHG emissions
- Achieve 40% reduction from 2018 levels by 2030.



Refer to: Trends in our GHG emissions (P117)

Scope1/2 Short-term Reduction Targets

ITOCHU has set a short-term target of reducing Scope1/2 emissions at our Japanese Bases. We have registered such target with the GX League, a group of companies challenging the green transformation led by Japan's Ministry of Economy, Trade and Industry in collaboration with the Japanese government and academia. We also participate in the Carbon Credit Market of Tokyo Stock Exchange, which will be used in the GX League, and contribute to the decarbonization of our own and other companies.

(Unit: t-CO2e)

	FYE 2022 (Base Year)	FYE 2024-2026 Total (Target)	FYE 2026 (Target)
Scope1	77	223	74
Scope2	5,946	17,308	5,711
Scope1+2 Total	6,022	17,531	5,785

- The scope of calculation is based on the "the Rules for Phase 1 in the GX-ETS" and does not match Scope1/2 for Japanese Bases of ITOCHU as a whole.

Climate Change (Information Disclosure Based on TCFD Recommendations)

Clean-tech Business Metrics and Targets (Action Plans)

We set the following metrics and targets (Action Plans) in ITOCHU Clean-tech Business as one of the main metrics (benchmarks) for climate-related risks and opportunities.

- In the power generation business, increase project development towards the goal of increasing our rate of renewable energy (equity interest basis) to over 20% by FYE 2031.
- Build a next-generation fuel value chain based on hydrogen and ammonia.
- Create distributed power supply platform using AI storage batteries boasting the No.1 sales in Japan. (Aim for scope exceeding cumulative power storage of 2 GWh by FYE 2031.)

Refer to: Our clean-tech business (P101)

Action Plan

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Machinery Company								
Address Climate Change (Contribute to a Decarbonized Society)		Climate Change Opportunities	Taking countermeasures against climate change	Overall power generation business	We will develop power plants with a good balance between renewable energy power generation and conventional power generation, thereby contributing to the development of countries and regions in a sustainable manner that is optimized for each.	Pursue opportunities to invest aggressively in renewable energy power generation through analyses of countries and regions.	FYE 2031: Target to achieve a renewable energy ratio more than 20% (equity interest basis) and reflect this to the future strategy.	• Tyr Energy Development Renewables, a renewable energy development company established in FYE 2023, is currently developing 25 assets with a capacity of 5GW of solar power in the United States. • The U.S. wholly owned subsidiary, NAES Corporation, the world's largest independent power plant operation and maintenance service company, provides asset management and operation & maintenance services for approximately 1,400 sites, including 2GW of solar power plants and 1.1 GW of wind power plants in the renewable energy sector. • In June 2023, the US renewable fund was established. Through the fund, the first investment was made in a wind power plant in February 2024. Additionally, in September 2024, the second investment into solar and battery energy storage assets was agreed. • As of March 2025, the ratio of renewable energy based on generation capacity share is 18.7%. (1.6% increased compared to the previous year)
• Address Climate Change (Contribute to a Decarbonized Society) • Evolve Businesses through Technological Innovation		• Climate Change Opportunities • Innovation	• Taking countermeasures against climate change • Next-generation business development	Ships/ Shipping field	We will contribute to decarbonization in the shipping and maritime sectors through the promotion of an *integrated project* encompassing the development, ownership and operation of ammonia-fueled ships, the development of fuel supply chains, and fuel procurement.	In addition to the joint development of ammonia-fueled vessels with the Japanese consortium and the ownership and operation of these vessels, ITOCHU will take the lead in the development of supply chain of an ammonia bunkering and fuel procurement, aiming for early materialization of the pilot project.	After 2027, promote the spread of ammonia-fueled vessels and the establishment of a supply chains to contribute to the decarbonization of the maritime industry.	• To contribute to decarbonization in the shipping sector, we are developing an integrated project aimed at: (i) developing ammonia-fueled vessels, (ii) owning and operating ammonia-fueled vessels, (iii) establishing fuel supply chains, and (iv) procuring/producing clean ammonia. • Test operation of first commercialized engine (for ammonia fueled large bulk carrier as our pilot project) with ammonia as a fuel was started from February 2025 at engine maker in Japan. Once the engine development progresses to a certain extent, discussions with relevant parties will be accelerated towards the order of the ship. • Selected by the Singapore government as a potential bunkering operator in July 2024. Discussions, including the ordering of bunkering vessels, are ongoing towards the establishment of a bunkering business in the country. And the bunkering business in Spain is being promoted in collaboration with Peninsula Petroleum. • In August 2024, the green ammonia production project utilizing existing ammonia facilities in Indonesia, jointly promoted with PUPUK Indonesia and Toyo Engineering, was selected as a target project for the Global South subsidy. Following the execution of the Front-End Engineering Design (FEED), discussions with relevant parties are ongoing towards the investment decision in FYE 2026.
• Address Climate Change (Contribute to a Decarbonized Society) • Evolve Businesses through Technological Innovation		• Climate Change Opportunities • Innovation	• Taking countermeasures against climate change • Next-generation business development	Sales of passenger cars and commercial vehicles	We will achieve the eco-friendly mobility society by strengthening businesses of electric vehicles (EVs), hybrid vehicles (HVs), vehicles with a reduced environmental impact, and those related.	Contribute to spread of eco-friendly vehicles by increasing business of eco-friendly and high-efficiency products, such as EVs, HVs, vehicles with a reduced environmental impact, and related parts.	Expand sales of eco-friendly products in response to the expanded lineup of EVs, HVs, vehicles with a reduced environmental impact, and similar vehicles from automakers as our business partners.	• As a partner in EVision, Isuzu's total solution program for EVs, we have expanded our efforts to promote commercial EVs. In collaboration with iGRID Solutions Inc., we initiated a demonstration project in October 2024 to integrate EV operations with facility energy management. • In the Ministry of the Environment's commissioned project, Demonstration Project for Sector Coupling through the Combination of Battery Swapping EV Development and Renewable Energy Utilization, we achieved over 45,000km of cumulative deliveries. (25,000km increased compared to the previous year) As planned, the delivery demonstration operation concluded in December 2024. And we conducted an examination of the business model aimed at promoting the widespread adoption of EV trucks by eliminating charging time constraints through battery swapping.

Climate Change (Information Disclosure Based on TCFD Recommendations)

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Address Climate Change (Contribute to a Decarbonized Society)		• Water Resources • Pollution Prevention and Resource Recycling	Improving water and sanitation infrastructures	Water and environmental projects	We will contribute to improve the sanitary conditions, the development of economic activities, and the protection of the global environment through the appropriate treatment and effective use of water and waste.	Expand water and environment projects to promote the appropriate use and treatment of water and the effective utilization of resources, and reduce the burden on the environment.	Expand the investment portfolio in the water and environment field which contribute to social demands for the environment and the promotion of a circular economy.	**Water Field** • We are promoting seawater desalination business in Australia and Oman. **Environmental Field** • UK: Our operations encompass three municipal solid waste incineration and power generation facilities (Energy-from-Waste/EfW plants), processing 850,000 tons of waste annually. These plants provide electricity for 100,000 British households equivalent. • Serbia: We set up first integrated waste management system in the Republic of Serbia. It contributes to the environmental issues such as greenhouse gases (GHG) (CO_2 equivalent) emission and polluted water leakage due to the inappropriate waste treatment. We have initiated an integrated waste management operation, including an EfW facility from July 2024. The project anticipates a reduction of approximately 210,000 tons of GHG emissions and has received Certification of Carbon Credit from the Gold Standard. • UAE: We are currently operating the first EfW project in Dubai. These facilities are designed to process half of the Dubai's municipal solid waste annually (1.9 million tons). The construction of this plant, the largest of its kind in the world, was successfully completed in August 2024. • Saudi Arabia: We are actively engaged in integrated hazardous waste management services in Jubail Industrial City.
Address Climate Change (Contribute to a Decarbonized Society)		• Climate Change Opportunities • Innovation	• Taking countermeasures against climate change • Next-generation business development	Aerospace business	To achieve decarbonization in the aviation industry through the adoption of hydrogen fuel cell engines	To commercialize hydrogen fuel cell engines, we aim to enhance public acceptance by collaborating with hydrogen-related companies, including the development of hydrogen infrastructure	Targeting the commercialization of the ZA600 engine, which can be installed on small aircraft, from 2026 onward. Following that, the ZA2000 engine — suitable for larger turboprop aircraft — is planned for development and commercialization.	Newly added from FYE 2026.
Metals & Minerals Company								
• Address Climate Change (Contribute to a Decarbonized Society) • Evolve Businesses through Technological Innovation		• Climate Change Opportunities • Capital Introduction • Innovation	• Taking countermeasures against climate change • Next-generation business development	• Resource recycling business • Mining business • Environmental business • Materials-related business	• We will realize stable resource supply as our social mission and responsibility while fully considering its environmental impact. • We will contribute to climate change issues through businesses that help to reduce greenhouse gases (e.g., lighter-weight vehicles and electric vehicles (EVs)) and the stable supply of essential materials.	• Take the lead in developing recycling-orientated business. • Promote initiatives for the social implementation of hydrogen and ammonia, etc. as resources and raw materials that contribute to the decarbonization in client industries (e.g., steel and power). • Promote businesses to contribute to the stable supply of nickel, PGM and other materials necessary in the manufacture and supply of hydrogen, green materials and energy, and storage batteries. • Continue to be involved in the development of technologies that contribute to the reduction of greenhouse gas emissions, including technologies for carbon dioxide capture and storage (CCS) and carbon dioxide capture and utilization (CCU). • Promote initiatives to completely withdraw from thermal coal mine interests while continuing to realize stable resource supply as our social mission and responsibility through trading in regards to our coal business. • Implementation and expansion of businesses that contribute to developing lighter-weight vehicles and shifting to EVs (e.g., aluminum and copper).	• Promote recycling-orientated business. • Promote initiatives for the social implementation of hydrogen and ammonia, etc. as resources and raw materials that contribute to the decarbonization in client industries (e.g., steel and power). • Promote examination toward technological development and commercialization to contribute to a reduction in greenhouse gas emissions, including hydrogen, green material and energy production, and carbon dioxide capture and storage (CCS) and carbon dioxide capture and utilization (CCU). • Strive to withdraw from thermal coal mine interests. • Realize initiatives in businesses that contribute to developing lighter-weight vehicles and shifting to EVs (e.g., aluminum and copper).	• Together with JFE Steel, UAE's largest steelmaker EMSTEEL, and others, we have promoted detailed feasibility studies for the establishment of a supply chain of ferrous raw material for green ironmaking with low carbon emission, which contribute to the decarbonization of the steel industry. In May 2024, we signed a Memorandum of Understanding with CSN Mineração S.A. [CM] in our Iron Ore Business in Brazil and NEXI concerning the decarbonization of the steel industry, which includes utilizing high-grade iron ore produced by CM. • We are contributing to the effective utilization of limited resources and the supply of environmental materials by promoting 3R+W (reduce / reuse / recycle + waste management). Specifically, we are steadily promoting initiatives in venous industries. This includes the reuse and recycling of store facilities and fixtures, the expansion and increase in sophistication of metal scrap and waste treatment through the use of a nationwide network of recycling companies. • We have invested in Everfuel of Denmark, who conducts the design, EPC, and operation of green hydrogen production facilities, distribution assets, and operation of hydrogen stations by using water electrolysis equipment, as well as the sale of hydrogen. In February 2025, we have commenced the first commercial production of green hydrogen, promoting the establishment of a locally-produced and consumed green hydrogen value chain. • We are promoting the Platreef project and others in the PGM (platinum group metals)/nickel business where demand is expected to grow significantly due to the worldwide spread of electric vehicles and fuel cell vehicles, and also expanding trade activities of such materials. • We have an investment into Australia-based MCi, who possesses mineral carbonation technologies. We are promoting their technology for the market. In December 2024, we have completed the construction of the first demonstration plant capable of processing multiple raw materials such as waste concrete and steel slag to produce carbonates. In January 2025, we have signed a memorandum of understanding with Mitsubishi UBE Cement Corporation to promote the construction of manufacturing plants and the establishment of a supply chain for raw material procurement and sales. • Agreement was signed with KOKO Networks, a Climate Technology Company Operating in Kenya, to support the generation of high quality carbon credits. In 2024, the first credits from our project with KOKO have been produced, and joint sales have been promoted. • Steadily promoted aluminum trade business that contributes to automobile weight reduction and electrification. We have traded approx. 500,000 tons in FYE 2025, and promoted sales of environmentally friendly raw materials for aluminum. • We decided to withdraw from thermal coal mine interests with a perspective of strengthening contribution and initiatives to SDGs. We already divested our Drummond mine interests in Colombia that had accounted for the majority of the ITOCHU's thermal coal interests and also divested Ravensworth North coal mine interests in Australia producing both thermal and coking coal.

Climate Change (Information Disclosure Based on TCFD Recommendations)

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Energy & Chemicals Company								
Address Climate Change (Contribute to a Decarbonized Society)	13	• Transition Risk • Stable Supply of Resources	Stably supplying energy taking into account climate change and the environment	Oil/gas interests and liquefied natural gas (LNG) projects	We will produce resources (transition fuels) taking into account a reduction in greenhouse gases. We will provide a stable supply of energy to contribute to the development of industry and the construction of infrastructure.	Work on resource development projects in collaboration with superior partners who have advanced technical capabilities and abundant experience.	Pursue opportunities to participate in gas projects with a relatively low environmental burden in fossil fuels and as raw material source of the low-carbon fuel while keeping in mind the stable supply of energy in the transition phase toward the realization of a sustainable society.	To realize a sustainable society through the stable supply of energy, we continue to discuss with competent partners ways to participate in new upstream projects and collaborate on decarbonization as raw materials for a transition fuel.
Address Climate Change (Contribute to a Decarbonized Society)	7	Climate Change Opportunities	Energy use that takes into consideration local communities and the environment	District heating and cooling	We will promote initiatives toward environmentally friendly regional energy use.	• Communicate appropriately with neighboring stakeholders in the Jingu Gaien district. • Engineering, construction, and operation of highly efficient heat supply plants.	Maintain the stable operations of district heating and cooling in the Jingu Gaien district and promote the district heating and cooling to neighboring areas.	We are continuing discussions with the relevant stakeholders to spread and promote district heating and cooling to neighboring areas.
Address Climate Change (Contribute to a Decarbonized Society)	7	Climate Change Opportunities	Efforts to optimally and continuously supply renewable energy	• Energy Storage System • Power and Environmental Solution	We will continue to stably supply the Energy Storage System that are the key to the efficient and optimal utilization of renewable energy.	• We will continue to sell Energy Storage Systems equipped with optimal charge and discharge software based on machine learning (AI). • Composition of PV integrated storage systems and power storage facilities.	Number of storage batteries sold. (Sales and installation performance of storage batteries)	• Sold a cumulative total of approximately 63,000 units (615 MWh) of energy storage systems, as of the end of March, 2025. • We are advancing the development and expansion of next-generation power trading, including VPP and P2P power transactions, as well as remote power demand and supply control utilizing AI. • We are promoting the sale of industrial storage systems that contribute to the decarbonization of businesses in collaboration with overseas partner companies. • In collaboration with Tokyo Metropolitan Government, we have established Japan's first fund for utility scale energy storage and completed the recruitment of investors. We are focusing on building multiple individual projects, including those selected for subsidies from Tokyo.
• Address Climate Change (Contribute to a Decarbonized Society) • Ensure Stable Procurement and Supply	7 13	• Stable Supply of Resources • Capital Introduction	Working on new fuel initiatives toward the realization of a carbon-neutral society / recycling-orientated low-carbon society	• Production and supply of hydrogen and fuel ammonia, and procurement and supply of renewable fuels • Working on new energy initiatives	We will aim to build a production and supply structure for new fuels to contribute to the reduction of greenhouse gases on a life cycle assessment basis toward the realization of a sustainable society and to improve energy efficiency.	Work on hydrogen and ammonia which are expected to serve as next-generation energies and fuels that do not emit carbon dioxide when burned. Also work on renewable fuels (derived from waste oils) to contribute to the reduction of greenhouses gases emitted from aircraft and large vehicles that are difficult to convert from internal combustion engines.	Build a new fuel value chain to be able to realize production, efficient transportation and supply by utilizing collaboration with superior partners and our track record in development and trading.	**Hydrogen and Ammonia** • ITOCHU has announced its investment in Protium Green Solutions, a UK-based company developing a decentralized green hydrogen supply business. • To realize a decarbonized society, we concluded a Memorandum of Cooperation (MOC) with Hive Hydrogen South Africa to collaborate in the field of green ammonia. Currently, we are engaging in Pre-FEED activities, considering the formation of partnerships, market approach strategies, and technology selection. **Renewable Diesel (RD) and Sustainable Aviation Fuel (SAF)** • From August 2024, seven companies, including ITOCHU, are conducting a pilot test for Scope 3 environmental value trading. • Through collaboration with Neste OYJ and GS Caltex, the fuel supply that complies with the *Carbon Offsetting and Reduction Scheme for International Aviation* has commenced at Narita International Airport. **New Energy** • ITOCHU has acquired shares of Blue Laser Fusion Inc. (BLF), a fusion energy-related startup, through a third-party allotment, while simultaneously concluding a strategic and business alliance agreement with BLF for fusion energy and other related businesses in which laser technology developed by BLF will be used.
Address Climate Change (Contribute to a Decarbonized Society)	13	Capital Introduction	Working on initiatives in carbon dioxide capture and storage (CCS) business toward the realization of a carbon-neutral society and inclusive and sustainable economic growth	Building of CO_2 capture chains using CCS	We will aim to build CO_2 capture chains to contribute to the reduction of greenhouse gases toward the realization of a sustainable society.	Refine CO_2 storage technologies - an application of petroleum development technologies - and enhance access to CO_2 capture chains (e.g., collection and transportation) to link them to CO_2 storage technologies.	Build a CO_2 transportation and storage business model by uncovering CO_2 capture needs at places where CO_2 is emitted in client industries across our companies.	• Together with ITOCHU Oil Exploration Co., Ltd., we joined the Geological Carbon Dioxide Storage Technology Research Association and participated in research and development projects for this technology. The Japan Sea-side Tohoku Region CCS business concept was selected for the Joint Study on *Japanese Advanced CCS Project* a public offering project in FYE 2024 and *Engineering Design Work for Japanese Advanced CCS Project* in FYE 2025 by the Japan Organization for Metals and Energy Security (JOGMEC). • We are currently discussing the feasibility of a CCS value chain project using ship transportation with our collaboration partners.

Climate Change (Information Disclosure Based on TCFD Recommendations)

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Address Climate Change (Contribute to a Decarbonized Society)		Climate Change Opportunities	Initiatives to optimize to supply renewable energy sustainably.	Renewable power business / Renewable energy-related materials procurement	● To achieve a stable supply of renewable energy through development and operation of renewable power plants (solar, biomass and wind). ● To grow renewable power businesses domestically and internationally through global procurement activities on renewable energy-related materials.	By further stabilizing the operation of the existing renewable power plants, and by expanding the renewable energy portfolio with new and continuous development.	Renewable energy asset volume	● Expanded the third party-owned distributed renewable power generation, across Japan through iGrid Solutions Co., Ltd., which operates approximately 1,110 on-site solar power plants (combined output of appx 275MW). ● Expanded the third party-owned distributed renewable power generation across Japan through Clean Energy Connect, Inc. which operates approximately 2,000 off-site solar power plants (combined output of appx 175MW).
Food Company								
Address Climate Change (Contribute to a Decarbonized Society)		GHG Emissions	Taking countermeasures against climate change	Fresh food field	We will examine and promote measures that contribute to tackling climate change.	Dole will utilize green energy in our processed food business.	● Residue input volume to the Dole Philippines biogas plant. ● GHG reduction amount by introduction of clean energy.	Result in FYE 2025 ● Utilization of processed pineapple residue: 128,984 tons. Due to decrease of pineapple production, utilization quantity was less than last fiscal year. ● GHG reduction from Renewable Energy installation: 126,786t CO_2e Thanks to the utilization of biomass*1, GHG reduction quantity got more than last fiscal year. *1 We utilize rice hull for the boiler as the alternative energy source of diesel.
General Products & Realty Company								
● Address Climate Change (Contribute to a Decarbonized Society) ● Ensure Stable Procurement and Supply		Forest	Using sustainable forest resources	● Pulp ● Woodchips ● Wood products & materials	We deal in sustainable forest resources to reduce the impact on the environment and prevent the increase of greenhouse gases.	Handle certified lumber or lumber for which a high level of control can be verified.	Ensure a 100% handling ratio of certified or high-level management confirmed materials.	In FYE 2025, 100% of our Pulp, Woodchips and Wood Products & Materials transactions were handled as certified material or were intensively managed.
● Address Climate Change (Contribute to a Decarbonized Society) ● Ensure Stable Procurement and Supply		● Capital Introduction ● Pollution Prevention and Resource Recycling	Taking countermeasures against climate change	Cement substitute material such as slag	We plan to expand the use of sustainable byproducts (slag) as a substitute material for the cement which is vital for construction and civil engineering.	Establish continuous, stable business between Steelworks as the supplier of slag and users.	Consider investment, participation, etc. in the slag business and focus initiatives on creating demand, especially in developing countries, with the aim of establishing continuous, stable business.	● We are currently in discussions concerning investment and participation in the slag business. ● In FYE 2025, global slag transactions will amount to 1.45 million tons.

Reflecting Climate Change Issues in the Remuneration System

To enhance the link between management strategy and executive compensation structure, ITOCHU has incorporated climate change and ESG/SDGs response into the evaluation of each executive since FYE 2021. Director remuneration is determined according to factors that include degree of contribution to ITOCHU, including addressing climate change, ESG and SDGs, based on a standard amount for each position. (In determining the Monthly Remuneration to be paid from July 2026 onwards, the performance evaluation for FYE 2026 will be conducted by assessing the creation of business opportunities and risk-management measures, with these evaluations incorporating climate change and ESG and SDGs considerations) In addition, Group ESG Officers and Group ESG Managers in each organization set individual annual goals for business creation and operational improvement related to contribution to the SDGs and ESG promotion, and their achievements are also evaluated as individual performance.

Refer to: Corporate Officer Remuneration System (P206)

Climate Change (Information Disclosure Based on TCFD Recommendations)

Initiatives

Efforts to Withdraw from Interests in Thermal Coal

In the future, coal related businesses will likely be subject to carbon tax. Also, countries will introduce energy diversification policies, which will lead to the promotion of renewable energy and energy saving technology. The changing and more competitive prices of renewable energy risks decreased profits from coal-related businesses, causing these assets to become impaired or fixed.

Based on this risk analysis, in 2019 ITOCHU announced that we will not develop new coal-fired power plants nor acquire thermal coal mine businesses. In 2019, we sold all interests in the Rolleston thermal coal mine. In 2021, we declared through our medium-term management plan that we will lead the industry in realizing a decarbonized society. As part of this initiative, we sold off interests in Drummond and Ravensworth North projects.

We continue to focus on expanding our business to contribute to the reduction of GHG emissions while responding to the societal demands for stable energy supply to domestic and overseas consumers.

Reducing the Environmental Burden of Logistics Operations

Basic Concept

ITOCHU aims to be carbon-neutral by 2050, and will promote the adoption of logistics methods and initiatives that have a low environmental burden with respect to outsourced logistics. By collecting basic data on logistics, we will investigate, analyze, and verify businesses with low transportation efficiency, and shift to initiatives with the lower environmental burden to the extent possible. We will also work on the development and diffusion of transportation modes powered by clean energy as a business, and contribute to the reduction of logistics-related GHG emissions.

Plan for Energy Saving in Logistics

As a specified consigner under the “Act on Rationalizing Energy Use,” we annually submit a “medium- to long-term plan” to the government, which includes the following company-wide plan for the rationalizing energy use.

Qualitative Target

- We conduct status surveys focusing on modes of transportation with low efficiency that have room for improvement, and select appropriate mode of transportation and appropriate transportation routes, etc, for improving loading efficiency and promoting reduction of specific energy consumption (SEC).
- In order to achieve the above target, we strengthen cooperation with freight forwarders.

Quantitative Target

GHG emissions generated by outsourced logistics for which ITOCHU is the consignor are as follows. Through ITOCHU’s efforts to reduce the environmental loads, we aim to reduce the average SEC by 1% or more per year over a five-year period, which is a non-binding target under Act on Rationalizing Energy Use.

1,000t-CO_2	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Logistics-related GHG emissions (1,000t-CO_2e)	12	10	12	11	15
SEC (crude oil equivalent kl/1,000t·km)	0.021	0.020	0.019	0.019	0.019
year-on-year	107.0%	93.0%	94.0%	102.4%	99.2%
5-year average rate of change in SEC	97.0%				

Specific Initiatives

- Promoting efficient transportation route setting and improved loading methods in cooperation with logistics providers and suppliers to optimize logistics at the time of order receipt and delivery.
- Improvement of loading rate by devising product shape and packaging.
- Selecting appropriate types of vehicles according to transportation volume (use of large vehicles and mixed loading shipment whenever possible).
- Conversion of long-distance truck transportation to rail transportation.
- Planning and promoting of joint delivery business in local areas.
- Providing EV truck users with charging solutions and leasing services that take into account battery degradation forecasts.
- Promoting of ammonia fueled ships development project.

Full Switchover to Real CO_2-free Electricity at Tokyo Headquarters

ITOCHU is sourcing its real CO_2-free electricity, together with a FIT Non-Fossil Fuel Energy Certificate showing the environmental value of not emitting CO_2, to the Tokyo Headquarters since January 2020. This initiative can also be used to prove compliance with “RE100,” a global initiative of businesses committed to 100% renewable electricity, in response to the global trend towards decarbonization.



Electricity consumption from Tokyo Headquarters building

CO_2 emission net **0** (FYE2025)

Climate Change (Information Disclosure Based on TCFD Recommendations)

Initiatives for the Tokyo Metropolitan Government Program to Prevent Global Warming

ITOCHU submitted a plan to the Tokyo Metropolitan Government to reduce the CO_2 emissions in our Tokyo Headquarters by 25% from the reference value (average value from FYE 2003 to FYE 2005) over five years from FYE 2021 to FYE 2025 based on the Ordinance on Environmental Preservation. Our energy-related CO_2 emissions in FYE 2024 was 5,944t-CO_2. This is an approximately 44% reduction compared to the reference value.

The document we have submitted to the Tokyo Metropolitan Government is as follows:

- GHG Emission Reduction Plan for FYE 2021 to FYE 2025 (Submitted in November 2024) (Japanese Only) (https://www.itochu.co.jp/en/csr/pdf/ondanka-202411.pdf)

* In addition to the Tokyo Headquarters, the adjacent commercial facility of Itochu Garden is also subject to the GHG Emission Reduction Plans submitted to the Tokyo Metropolitan Government.

Energy-related CO_2 emission from Tokyo Headquarters Building

5,944 t-CO_2 (FYE 2024)

Reduction from the reference value

Approximately **44** %

Collaboration with Outside Initiatives

Activities Through Business and Industry Groups

ITOCHU is participating in the Global Environment Subcommittee of the Committee on Environment and Safety — an environment and energy related committee of the Japan Business Federation (Keidanren). We are working to realize an environmental policy compatible with the economy (e.g., through promotion of voluntary action plans, and measures for global warming, waste and recycling and environmental risks). We are also participating as a committee member in the Environment Working Group under the Sustainability Promotion Committee of the Japan Foreign Trade Council (JFTC), a nation-wide association of Japanese trading companies. We are striving to build a low-carbon society, construct a recycling-orientated society, and to support environmental related laws and regulations. We continue to support the JFTC's FYE 2031 Reduction Targets for Domestic Business Activities and Long-term Vision for Climate Change Measures, which are consistent with our policies and goals.

When the industry and trade associations in which we participate decide on the new directions of climate change, etc., we will express our opinions in line with the ITOCHU Group Sustainability Policy in the decision-making processes. We participate in meetings of our industry associations to discuss their policies, and make proposals from the drafting stage, taking into account not only our own thinking but also the thinking of investors, customers, and the international community. In the event that the policies of such organizations become significantly weaker than or contradict from our policies, we will strive to align them with our policies. We will report any new policies of various industry associations to the head of our relevant industry-related departments or functional departments and obtain their approval. Furthermore, if those new policies may have gap between our company-wide policies, we report to the CAO, who chairs our Sustainability Committee, and the Sustainability Committee and other committees decide to review our company policies in line with new policies of industry associations.

FYE 2031 Reduction Targets for Domestic Business Activities (Trading Industry)

By FYE 2031, we will strive to reduce unit CO_2 Emissions (CO_2 Emissions per floor area for the entire company) by 60% compared with FYE 2014. (Reestablished April 2024)

Long-term Vision for Climate Change Measures of the Japan Foreign Trade Council

To create a carbon-neutral society, the JFTC aims to effectively utilize its links with other industries and organizations, cooperate in implementing their long-term visions, and contribute to achieving the long-term goals for 2050 set out in the Paris Agreement. Based on this vision, JFTC member companies will position the investigation and implementation of measures to mitigate and adapt to climate change as key business issues and strive to generate new businesses and solutions.

We have flexibly evolved our businesses according to changing times and diverse needs. Shosha (trading company), which operate worldwide and conduct business in cooperation with various players in a wide range of industries, are able to fully exercise their capabilities in contributing to solutions for the global challenge of climate change.

- Refer to: Long-term Vision for Climate Change Measures (https://www.jftc.or.jp/about/pdf/climate_20200325.pdf?#page=2)

Participation in TCFD Consortium

- Refer to: Participation in Initiatives (P41)

Participation in CDP (Climate Change)

- Refer to: Participation in Initiatives (P41)

Participation in the GX League

- Refer to: Participation in Initiatives (P42)

Participation in Japan Climate Initiative (JCI)

- Refer to: Participation in Initiatives (P42)

Prevention of Pollution and Resource Circulation

Policy and Basic Concept

Prevention of Pollution

Within its business activities, ITOCHU will strive to prevent and reduce environmental pollution caused by chemical substances, oils, and marine plastic waste, reduce emissions of air pollutants, and reduce and properly process hazardous waste and wastewater. We will fulfil our responsibility of pollution prevention by complying with international declarations, agreements, and treaties, as well as with the laws and regulations of the countries and regions in which we operate. We shall also comply with any other agreements that we have consented to.

Resource Circulation

ITOCHU handles a wide range of products, from plastics to metals, rubber, cement, and foodstuffs. We have identified “Ensure Stable Procurement and Supply” and “Address Climate Change (Contribute to a Decarbonized Society)” as ones of our key sustainability material issues. We will contribute to the formation of a circulating society with our business investees and stakeholders in the value chain of the products we handle to reduce the procurement of raw materials that have a negative impact on the environment and natural capital, and to promote resource circulation. We aim to realize resource circulation through the 3Rs (Reduce, Reuse, Recycle) and substituting sustainable raw materials from the design stage of products and services, and promoting sorting, collection, and recycling business for used products. We will actively work to procure raw materials and products with third-party certification for sustainability, with due consideration of appropriate use of natural capital, traceability, and consideration for local communities, etc.

Targets and Action Plan

ITOCHU sets qualitative management targets and quantitative performance targets to promote better practices in pollution prevention and resource efficiency. The environmental targets and achievements in FYE 2025 are as follows:

Qualitative Targets

Item		Boundary	Target	FYE 2025 Results and Evaluation
Prevention of Environmental Pollution and Compliance with Laws and Regulations	Risk Assessment for Investment and Financing Projects	ITOCHU Corporation	Perform pre-investment/financing assessments based on the ESG Checklist, which includes environmental assessment criteria.	Properly implemented
	Raising Management Levels through Auditing	ITOCHU Group	Conduct internal audits on environmental management systems to ensure compliance, improved environmental efficiency, and better overall management.	Properly implemented
	On-Site Investigations of Group Companies	ITOCHU Group	Select appropriate Group companies and conduct on-site environmental management investigations for them.	Properly implemented
Promotion of Awareness Activities	Raising Awareness of Laws and Regulations	ITOCHU Group	Increase internal awareness on the Waste Management and Public Cleansing Act and the Soil Contamination Countermeasures Act, as well as other relevant regulatory developments by providing learning opportunities such as seminars and courses. We will also monitor and review participation/uptake rates of these trainings in relevant segments of the company.	Properly implemented
Resource Conservation, Promotion of Resource Circulation, and Monitoring of Performance	Office Waste Reduction	ITOCHU Corporation	Reduce waste and promote recycling in office activities in accordance with our EMS.	Properly implemented
	Paper Consumption Reduction Target	ITOCHU Corporation	Reduce paper consumption by raising awareness of our targets internally.	Properly implemented

Quantitative Targets

Item		Boundary	Target Period	Target	Progress in FYE 2025 Against Targets	Assessment
Prevention of Pollution	Serious Environmental Accident	ITOCHU Corporation*1	Every Fiscal Year	0 Serious Environmental Accidents	0	Achieved
	NOx SOx Emission Concentration	TAKIRON TECH CO., LTD.	Every Fiscal Year	Suppress to a level 20% below the legal standard	Achieved	Achieved
		ITOCHU Ceratech Corporation	Every Fiscal Year	Suppress to a level 20% below the legal standard	Achieved	Achieved
Resource Circulation/ Waste Discarded	Volume of Waste Discarded	Tokyo Headquarters*2	March 2031	29% Reduction Compared to FYE 2020	46% Reduction Compared to FYE 2020	Achieved
	Recycling Rate		March 2031	More than 90%	92%	Achieved
Resource Conservation	Paper Consumption	ITOCHU Corporation*2	March 2031	33% Reduction Compared to FYE 2020	55% Reduction Compared to FYE 2020	Achieved

*1 ITOCHU Corporation, Overseas offices, Group companies subject to compliance
*2 We are aiming to commence the rebuilding of the Tokyo Headquarters building in September 2026, but the details of the plan are still underway. Once the details of the relocation plan are finalized, we will set new targets based on the management status of the temporary location.

Prevention of Pollution and Resource Circulation

Action Plan

Risks	Opportunities
• Negative impacts on the natural environment including those related to resource circulation. • Negative impacts, including local community protests, triggered by deteriorating relationships with community stakeholders.	• Increased resource demand due to population growth and enhanced living standards in emerging economies. • Creation of customer trust and new business opportunities through stable and sustainable supply chain practices.

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Textile Company								
Ensure Stable Procurement and Supply	12	Prevention of Pollution and Circulating Society	Reducing our environmental burden by circulating society	Textile products in general	We will contribute to realize a Circulating Society through our sustainable textile products and recycling of them.	Promote sustainable products and projects leading to the recycling of resources.	Promote the sustainable products such as “RENU”, a recycled polyester derived from textile, and set up schemes to recycle textile products.	• The environmental impact of handling recycled polyester through the RENU project is as follows (estimated for FYE 2025). Waste volume to be made into “RENU”: equivalent to 6.2 million T-shirts, CO_2 reduction: 1,906 tons, Water usage reduction: 6,416 kiloliters. • Approximately 4,300 collection points for “Wear to Fashion”, the clothing recycling service (as of March 2025). • We are currently operating a joint project called the “ARChemia Project”, which involves textiles and chemicals, and transforms used clothing into chemical products with high environmental added value. To date, more than 10 companies have adopted this project, and we are continuing to promote its expansion.
Machinery Company								
Address Climate Change (Contribute to a Decarbonized Society)	6 12	• Water Resources • Pollution Prevention and Resource Recycling	Improving water and sanitation infrastructures	Water and environmental projects	We will contribute to improve the sanitary conditions, the development of economic activities, and the protection of the global environment through the appropriate treatment and effective use of water and waste.	Expand water and environment projects to promote the appropriate use and treatment of water and the effective utilization of resources, and reduce the burden on the environment.	Expand the investment portfolio in the water and environment field which contribute to social demands for the environment and the promotion of a circular economy.	**Environmental Field** • UK: Our operations encompass three municipal solid waste incineration and power generation facilities (Energy-from-Waste/EfW plants), processing 850,000 tons of waste annually. These plants provide electricity for 100,000 British households equivalent. • Serbia: We set up first integrated waste management system in the Republic of Serbia. It contributes to the environmental issues such as greenhouse gases (GHG) (CO_2 equivalent) emission and polluted water leakage due to the inappropriate waste treatment. We have initiated an integrated waste management operation, including an EfW facility from July 2024. The project anticipates a reduction of approximately 210,000 tons of GHG emissions and has received Certification of Carbon Credit from the Gold Standard. • UAE: We are currently operating the first EfW project in Dubai. These facilities are designed to process half of the Dubai’s municipal solid waste annually (1.9 million tons). The construction of this plant, the largest of its kind in the world, was successfully completed in August 2024. • Saudi Arabia: We are actively engaged in integrated hazardous waste management services in Jubail Industrial City.
Metals & Minerals Company								
Address Climate Change (Contribute to a Decarbonized Society)	13	• Climate Change Opportunities • Capital Introduction	Taking countermeasures against climate change	Resource recycling business	• We will realize stable resource supply as our social mission and responsibility while fully considering its environmental impact. • We will contribute to climate change issues through businesses that help to reduce greenhouse gases (e.g., lighter-weight vehicles and electric vehicles (EVs)) and the stable supply of essential materials.	Take the lead in developing recycling-orientated business.	Promote recycling-orientated business.	We are contributing to the effective utilization of limited resources and the supply of environmental materials by promoting 3R+W (reduce / reuse / recycle + waste management). Specifically, we are steadily promoting initiatives in venous industries. This includes the reuse and recycling of store facilities and fixtures, the expansion and increase in sophistication of metal scrap and waste treatment through the use of a nationwide network of recycling companies.
Energy & Chemicals Company								
Ensure Stable Procurement and Supply	12	Plastic	Efforts leading to solutions to social problems	Plastic-related environmental response	We will contribute to solving social problems (e.g., marine plastics and waste plastics) that urgently require measures with a plastic-related environmental response.	Supply environmental materials and establish a recycling/reuse program in collaboration with brand owners.	Build a recycling-oriented-model by enhancing our handling of environmental materials and establishing a recycling/reuse program.	We have worked with Japanese brand owners to introduce PCR (Post Consumer Recycled) polyethylene and polypropylene resins supplied by recyclers mainly in China and Southeast Asia into their cosmetic and sanitary containers.

Prevention of Pollution and Resource Circulation

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Food Company								
Ensure Stable Procurement and Supply	12	Pollution Prevention and Resource Recycling	Supply and use of environmentally friendly resources and materials	Fresh food field	Through the reduction of food loss, we will contribute to the promote the effective use of the resources and reduce the environmental impacts.	The company will brand and commercialize the out-of-spec Dole bananas discarded in Japan and Philippines as Mottainai bananas and distribute them in the market again.	• Reduction of waste at the production site (Philippines) • Reuse of discarded bananas (Japan)	**Result in FYE 2025** • Reuse of waste bananas in Philippines: 25,003 tons • The consumption volume of discarded bananas in Japan: 2,045 tons Thanks to the utilization of off spec banana and the expansion of “Mottainai” project, the reuse volume was increased compared with last fiscal year.
Ensure Stable Procurement and Supply	12	Pollution Prevention and Resource Recycling	Reduction of food loss, promotion of recycling	Overall food-related businesses	We contribute to the realization of a circular economy by promoting food loss reduction throughout the entire supply chain in the food distribution sector.	Promoted measures to reduce food loss in the domestic wholesale business. The company has implemented improvement measures based on the policies of “no food loss,” “sell out products,” and “donate food products”.	In the domestic wholesale business, in addition to strengthening inventory management through the use of IT technology, the company contributes to the reduction of food loss by utilizing its domestic sales network and donating to food banks.	We are on track to achieve its FYE 2031 target, with a 4.7% y/y reduction as of the end of FYE 2025, and a 36.5% y/y reduction by the end of FYE 2025 compared to FYE 2017. We adjusted supply and demand based on retail store sales data and order data, and also increased the volume of products donated to food banks.
General Products & Realty Company								
• Address Climate Change (Contribute to a Decarbonized Society) • Ensure Stable Procurement and Supply	12 13	• Capital Introduction • Pollution Prevention and Resource Recycling	Taking countermeasures against climate change	Cement substitute material such as slag	We plan to expand the use of sustainable byproducts (slag) as a substitute material for the cement which is vital for construction and civil engineering.	Establish continuous, stable business between Steelworks as the supplier of slag and users.	Consider investment, participation, etc. in the slag business and focus initiatives on creating demand, especially in developing countries, with the aim of establishing continuous, stable business.	• We are currently in discussions concerning investment and participation in the slag business. • In FYE 2025, global slag transactions will amount to 1.45 million tons.
ICT & Financial Business Company								
Ensure Stable Procurement and Supply	12	Pollution Prevention and Resource Recycling	Provide products/ services that support the realization of a sustainable lifestyle.	Reuse / Recycling Business	Contribute to the development of a sustainable society by making most of limited resources through the distribution of used mobile phones and tablets in the Japanese market.	• Expand supply channels in order to realize a sustainable and stable procurement of resources. • Reinforce promotional activities in order to raise the awareness of secondhand mobile phones/tablets.	• Expand product variation and supply channels. • Expand distribution outlets.	• Product Handling Models: Increased from 856 models in FYE 2024 to 947 models in FYE 2025. • Procurement Sources: Maintained at 12 companies from FYE 2024 to FYE 2025. • Distribution Channels: Expanding sales channels through major e-commerce operators in addition to our own e-commerce site.

Structures and Systems

Governance

ITOCHU’s governance structure and systems to manage environmental and social risks, including pollution prevention and resource recycling, are as follows:

• Refer to: Governance (P16)

Evaluation of Pollution Prevention and Resource Circulation in New Business Investment Projects

For business investment projects that ITOCHU undertakes, the impact of the project on society and environment is evaluated in advance using the ESG Checklist for Investments, a checklist that must be submitted when entering into new business investment projects. For example, it includes monitoring the status of pollution prevention and resource circulation. The project is then only undertaken upon confirming that there are no problems in the results of those investigations.

We consider ensuring stable procurement and supply to be a material sustainability issue. We work to effectively utilize and to ensure stable procurement and supply of resources according to demand in each country with consideration for the environment (e.g., biodiversity). In doing this, we are aiming for a circulating society.

Assessment of Pollution Prevention and Resource Circulation at ITOCHU Group

ITOCHU has been conducting annual on-site investigations for ITOCHU Group companies having relatively high environmental impacts since 2001 to strengthen our environmental risk management. Throughout the assessment, we engage with the senior management team to assess the company’s status of exhaust and wastewater, chemical handling, and waste disposal.

Prevention of Pollution and Resource Circulation

Assessment of Efforts on Pollution Prevention and Resource Circulation in the Value Chain

Assessment of Sustainability Risk in Products ITOCHU Handles

ITOCHU conducts a sustainability risk assessment for each new product we will handle. We use LCA* analytical methods to evaluate the impact the product will have on the environment and society, compliance with environmental laws and regulations, relationships with stakeholders, and more. This evaluation covers the stages of the product from the procurement of its raw materials to its manufacturing, use and disposal. If there is a significant nature-related risk in the value chain, such as environmental pollution or resource depletion, we subject that product to priority management. We then formulate and implement various regulations, procedure manuals, education on the specific work operational factors, and other measures.

* Life Cycle Assessment (LCA): This is the technique to assess the impact of one product on the environment in all stages of its lifecycle — from raw materials to manufacture, transportation, use, and disposal or reuse.

Sustainability Surveys for Suppliers

Each Company at ITOCHU and applicable ITOCHU Group companies select important suppliers based on certain guidelines, including high-risk countries, handled products, and handled amounts, to grasp the status of our suppliers. Those in charge of sales at each Company and those in charge at overseas subsidiaries and Group companies visit those suppliers and interview them. Those in charge also conduct sustainability surveys with questionnaires on important suppliers. We check the situation of initiatives for exhaust, wastewater, and waste treatment, and resource recycling efforts including energy and raw material conservation. We make continuous improvements by asking suppliers to address issues as necessary.

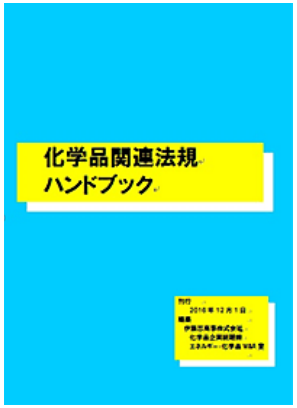
Management of Chemical Substances

The chemicals handled in the Chemicals Division are those that have potentially serious impacts on human health and the natural environment and have become subject to various laws and regulations that aim to ensure appropriate handling across the supply chain – including during manufacturing, sales, transportation, and storage. Furthermore, the appropriate management of chemicals is crucial from a business perspective for ITOCHU's Chemicals Division as well as violations and cases of non-compliance can impact the regulatory approvals we require on certain products.

There is an international trend to minimize risks at every level of the entire supply chain of chemicals. Against this background, both advanced nations and developing nations have started to introduce new regulations and to make large-scale revisions to existing regulations. Consequently, the regulatory environment in the handling of chemicals is expected to become ever stricter in the future.

We recognize the importance of compliance with laws and regulations in addition to knowledge of products and the industry as a company that handles chemicals. Our basic policy is that each individual should engage in business in accordance with the requirements of laws and regulations upon correctly understanding the laws and regulations concerning the products that they are in charge of handling.

Compliance with Laws and Regulations in the Divisions Handling Chemical Substances



Handbook on chemical-related regulations (cover page image)

At ITOCHU, the Chemicals Division has cross-functional oversight of our management of chemical substances. This includes oversight of the sales departments that handle chemical substances, which sit within the Chemicals Division, as well as relevant subsidiaries that handle chemical substances. In addition, the Chemicals Division has oversight of any sales divisions and subsidiaries outside of their direct control if chemical substances are used.

We strive to comply with laws and regulations through a management method based on a combination of thorough inquiries to specialized external consulting organizations and the use of a centralized management system to track environmental legal compliance. The management system was developed internally in 2016 and allows us to confirm and record applicable laws and measures at the chemical substance level for each product. We also provide training and educational opportunities to relevant sales staffs, supplemented by e-learning materials and handbooks that summarize the main points of relevant laws.

The external consulting organization that we currently employ for chemical substance management is Techno Hill Co., Ltd. Techno Hill has comprehensive knowledge regarding the field of chemical substances and provides us with informed advice on management systems, applicable laws and regulations for each product, and general trends movements in the industry.

In order to maintain and improve the abilities of each person in charge at a high level, we distribute our own handbook on chemical-related regulations to all persons in charge. There are 32 laws and regulations covered in this handbook, each of which outlines important aspects of compliance requirements. The purpose of this handbook is to educate our employees, especially new recruits and sales personnel, on the laws and regulations specific to the chemical industry.

By taking these initiatives, in FYE 2025, there were no major violations caused (e.g., license suspensions).

Major violations
0

Prevention of Pollution and Resource Circulation

Management Structure for Emergency Response and Accident Response

ITOCHU responds as below in accordance with our accident and emergency response regulations.

If an accident occurs during the handling or storage of toxic or hazardous substances, we respond as follows in line with the manual.

- We will make reports as necessary according to the emergency contact network. In addition, we will take prompt action to limit the risks caused by toxic and hazardous substances.
- In the event of splashing, leaking, outflow, seepage or penetration underground, we will immediately notify the public health center, police station or fire department to that effect when there is a fear of a risk to the health of an unspecified or large number of people. At the same time, we will take measures to prevent risks to health.

Initiatives

Introduction of Individual Initiatives

1. Reduce

Initiatives to Introduce Environmentally-friendly Packaging in FamilyMart Stores

FamilyMart Co., Ltd., a subsidiary of ITOCHU, has set goals of increasing the ratio of environmentally-friendly containers and packaging* to 60% by 2030 and 100% by 2050, as part of its efforts to curb plastic use in FamilyMart Environmental Vision 2050.

By changing the specifications of containers and packaging, FamilyMart is working to reduce the amount of petroleum-based plastics used in the raw materials of containers and packaging and to promote the use of environmentally-friendly materials. We will continue to work toward achieving our 2030 and 2050 targets with the understanding and cooperation of our suppliers and consumers.

* Containers and packaging made from materials including plant-based biomass plastics and recycled PET

Major Initiatives in Environmentally-friendly Packaging

Details of Initiatives	Reduction in Use of Plastics
● Promote the switch to 100% recycled PET bottles made from recycled PET resin for Famimaru's bottled beverages. This includes the seven staple unsweetened tea products such as green tea, barley tea, and rooibos tea, as well as containers for natural water and coffee.	Estimated reduction of about 4,750t per year
● All salad containers are made of environmentally-friendly materials such as biomass plastic.	Reduction of about 900t per year
● Reducing the weight and changing the materials of chilled bento and sushi containers are expected to result in reduction.	Estimated reduction of about 421t per year
● Change the main container of the soup to paper-based materials.	Estimated reduction of about 170t per year

Effort to Reduce Plastics at Convenience Stores

In accordance with the Act on Promotion of Resource Circulation for Plastics that went into effect in April 2022 in Japan, FamilyMart has set a goal of reducing the amount of petroleum-based plastics use by FYE 2031 by 50% from FYE 2020 level, and is working to reduce the amount of plastic spoons, straws, and other items distributed to customers who purchase boxed lunches, desserts, beverages, and other items.

Results of Major Initiatives to Reduce the Use of Certain Plastic Products

Start Year	Details of Initiatives	Reduction in Use of Plastics
2021～	● Design of the handle of the plastic spoon was changed.	● Reduction of about 12% per year ● Estimated reduction of about 65t per year
2022～	● FamilyMart launched the "Convenience Wear Blue Green" project to sell products made with environmentally-friendly materials, such as washable and reusable cutlery sets, open-and-wash straws, and spoons and forks made with biodegradable biopolymers.	—
	● Discontinuation of providing plastics forks as a general rule. (If requested, chopsticks are offered as an alternative or forks can continue to be provided)	● Estimated reduction of about 250t per year
2024～	● Partial implementation of charging for spoons, forks, and straws in some stores.	● Estimated reduction of about 4t per year

Prevention of Pollution and Resource Circulation

Initiatives to Reduce Food Waste in Convenience Stores

FamilyMart Co.,Ltd. is working to reduce food waste by promoting the active sale of near-expiry foods through discounted sales (FamilyMart's Eco Discount) for ready-to-eat products such as rice balls and boxed lunches. Starting in March 2025, FamilyMart is gradually changing the discount stickers nationwide from those displaying only the price to designs featuring teary-eyed characters and messages.



A discount sticker featuring a teary-eyed character pleading "Please save me"

The results of a demonstration experiment conducted since October 2024 showed that changing the sticker design increased the purchase rate of discounted products by 5% points. If this approach is expanded to stores nationwide, it is expected to reduce food waste in stores by approximately 3,000 tons annually.

Going forward, FamilyMart will continue to actively promote new initiatives to reduce food waste by using behavioral psychology to approach consumers' awareness and emotions regarding food waste, encouraging changes in purchasing behavior.

Develop Environmentally-friendly Garbage Bags "nocoo"

Sanipak Company of Japan Ltd., a subsidiary of ITOCHU, has developed "nocoo" environmentally-friendly garbage bags that reduce CO_2 emissions. The use of natural lime stone as a raw material for nocoo reduces plastic use by approximately 20% and reduces CO_2 emissions during the manufacture and combustion of garbage bags by approximately 20% compared to 100% polyethylene garbage bags. In FYE 2025, sales of nocoo in the 47 prefectures of Japan totaled 6,316 tons, contributing to a reduction in plastic use of 1,515 tons and a reduction in CO_2 emissions (when incinerated) of 4,100 tons.



"nocoo," environmentally-friendly garbage bags

With nocoo, we will continue to address environmental issues that are familiar to everyone, such as reducing CO_2 emissions through regular garbage disposal.

- Refer to: nocoo Website (Japanese only) (https://www.sanipak.jp/series/nocoo.html)

2. Reuse/Recycle

RENU® Project Aims to Realize Circular Economy

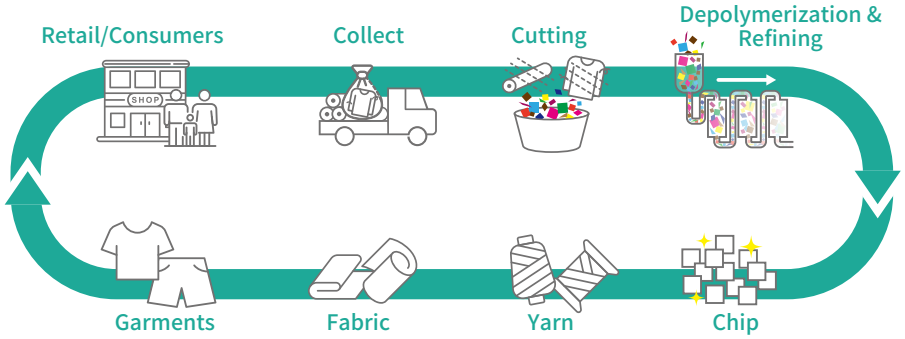
In the spring of 2019, ITOCHU launched a project called the RENU® project ("RENU"), which aims to address the issue of excessive waste in the fashion industry and realize circular economy. As its first product, we are developing recycled polyester made from textiles such as waste leftover fabric and used clothing. We will contribute to realize circular economy by developing this project through the entire supply chain of the fashion industry from raw materials to consumers.



"RENU," recycled polyester made from textiles waste

- Refer to: RENU® project website (https://renu-project.com/en/)

■ RENU Aims for a Closed Loop Economy



The environmental impact of handling recycled polyester at RENU project is as follows:

	FYE 2021	FYE 2022	FYE 2023*	FYE 2024*	FYE 2025*
Feedstock equivalent to T-shirt (million pieces)	3.5	6.0	6.3	6.5	5.5
Reduced CO_2 (t)	521	893	1,931	2,010	1,715
Reduced Water (kL)	875	1,500	6,500	6,760	5,770

* Adopted LCA (FYE 2022 version)

Prevention of Pollution and Resource Circulation

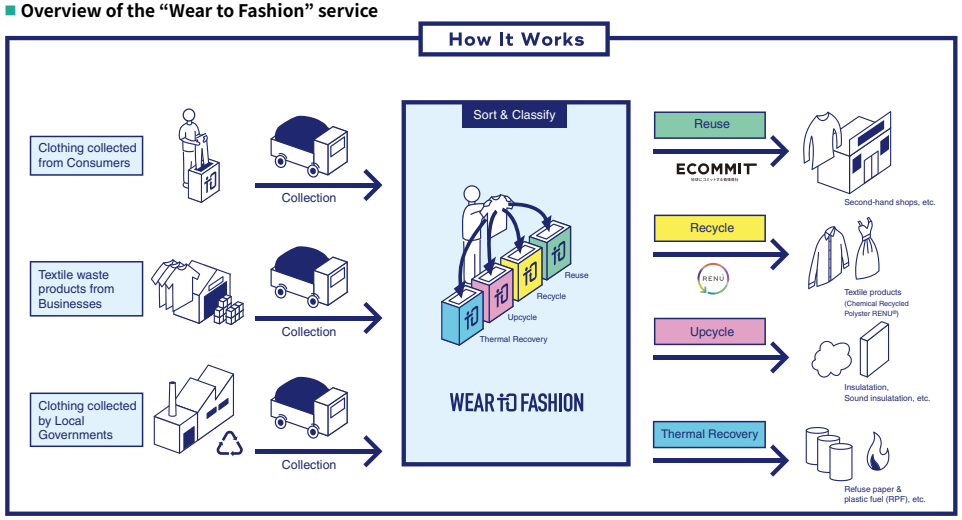
Expansion of the Textile Collection Service for a Circular Economy

ITOCHU and ECOMMIT Co., Ltd., which develops resource circulation businesses through reusing and recycling, have signed an agreement to expand the textile collection service “Wear to Fashion” in the Japanese market. Starting spring 2022, the service will gradually be offered to all companies and local governments in Japan. As of March 2025, ITOCHU is collecting textiles from about 4,300 locations. We plan to collect approximately 8,900 tons of textiles in FYE 2026.

Additionally, utilizing the distribution infrastructure of the ITOCHU Group, a demonstration experiment was conducted from December 2024 to June 2025, where dedicated collection boxes for the resource circulation service “PASSTO” operated by ECOMMIT were installed in ten FamilyMart stores in Tokyo.

With this new initiative as a part of the RENU Project aimed at solving a problem in the textile and fashion industries, textile products coming out of various sites will be collected and sorted through combining our network in the textile and fashion industries and ECOMMIT’s system from collection to resource circulation. Reusable products will be reused utilizing ECOMMIT’s knowledge, and recyclable polyester products will be made into RENU. In doing so, the amount of discarded textile products will be reduced as much as possible and aims to realize a circulating economy.

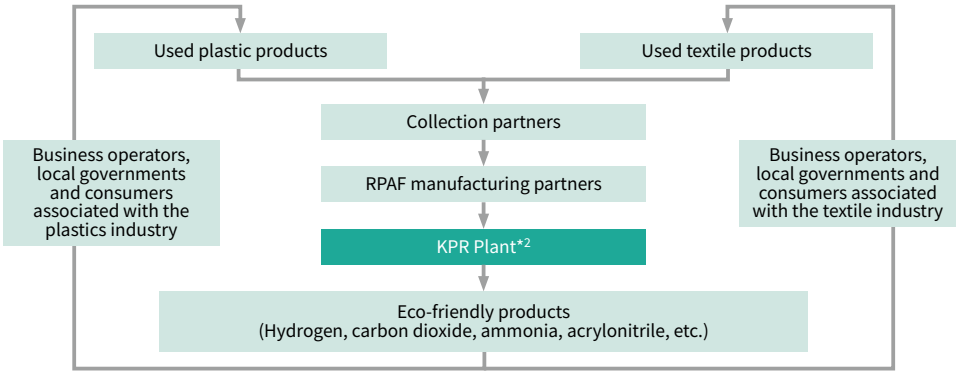
■ **Overview of the “Wear to Fashion” service**



ARChemia Project, a Recycling Project for Used Plastics and Textiles

In March 2023, ITOCHU signed a Memorandum of Understanding with Resonac Corporation regarding a joint study aimed at promoting a used plastic and textile recycling business. Based on this memorandum, we launched the ARChemia Project and began a collaboration to supply Resonac with recycled solid raw materials containing a mix of used plastics and textiles known as RPAF*1 and turn it into chemical products such as low-carbon ammonia with high environmental added value. We aim to increase the supply of RPAF to 10,000 tons in FYE 2028. Through the ARChemia Project, a joint project between chemicals and textiles, we will solve the social issue of waste and contribute to the development of circulating society.

■ **ARChemia Project Outline**



The project aims to form a resource environmental platform based around the KPR Plant.

*1 RPAF: Refuse derived Plastics paper and Apparel densified Feedstock
A solid raw material for gasification-based chemical recycling adjusted for calorie generation, made mainly from used plastics, used paper and used textiles.
*2 KPR Plant: Kawasaki Plastic Recycling Plant of Resonac

Prevention of Pollution and Resource Circulation

The Recovery of Nylon Waste to ECONYL® Nylon Products

ITOCHU and Aquafil S.p.A. have concluded capital and business alliance to promote and expand the businesses of circular nylon production.

Nylon is used for textiles and plastic materials made through petrochemistry in a range of fields such as fashion, carpeting, fishing nets, food packaging, and automobiles. However, many products use nylon blended with other materials in a compound form, making it a difficult material to be recycled.

In 2011, Aquafil created its ECONYL® Regeneration System that turns recovered nylon waste such as fishing nets, carpets and post-industrial waste back to caprolactam (CPL), a crude raw material. Through its proprietary chemical recycling technology, Aquafil eliminates impurities completely, to achieve regenerated nylon product having the same features of the virgin quality materials. ECONYL® nylon is made completely from waste, which enables up to 90% CO_2 reduction compared to conventional nylon made from petroleum.



Fishing nets used as raw material for ECONYL



Recycled zippers and recycled buttons

We will leverage on its ITOCHU Group's diverse network and expand sales for applications in apparel, carpeting, automobiles, and packaging materials. In February 2022, YKK Corporation, which is a global leader in the manufacturing and sale of zippers, Aquafil and we are jointly developing environmentally-friendly recycled zippers and recycled buttons. In March 2024, we jointly developed fishing nets using ECONYL with Momoi Fishing Net Mfg. Co., Ltd. and Kinoshita Fishing Net Mfg. Co., Ltd. In October 2024, we announced a collaboration with Asahi Kasei Corporation to develop resin-based materials for 3D printers using ECONYL as the base polymer. By combining ECONYL with plant-derived raw materials, which Asahi Kasei has been developing, we will provide environmentally friendly materials to the market.

Moreover, we plan to enforce Aquafil's nylon recovery scheme using its existing sales chain and will also implement the partnership from the perspective of the stable supply of raw materials to Aquafil. Through its collaboration from the recovery of waste to the sale of Aquafil's products, we aim to expand the businesses of nylon circularity.

Development of Environmentally-friendly Flooring and Launch of Flooring Material Recycling Business

ITOCHU has launched the recycling business for flooring material together with the launch of DESSO, an eco-friendly flooring material produced by European construction material manufacturer Tarkett S.A., in the Japanese market in cooperation with Lilycolor CO., LTD., an interior design and decorating wholesaler.

Its new DESSO is an environmentally-friendly product based on recycling that enables the fiber surface part of the flooring material to be separated from the base material of the floor, making it possible to recycle the components. Since the start in 2024, DESSO has been adopted in dozens of properties.

This project aims not only to sell DESSO but also to contribute to the expansion of flooring material recycling through this collection and recycling scheme.



Office image utilizing "DESSO," eco-friendly flooring material

Prevention of Pollution and Resource Circulation

DAILITE, an Inorganic Board Utilizing Unused Resources and By-products

Daiken Corporation, a subsidiary of ITOCHU, developed DAILITE, the world's first new industrial material utilizing an unused resource Shirasu (volcanic ash) and a by-product of steel production Slag Wool, and started selling it in 1997. It offers performance characteristics such as lightweight, high strength, fireproof, breathability and good workability.

DAILITE combined with sheets and sliced veneer for surface decoration is used as the non-combustible and well-designed wall materials and louver materials. In addition, DAILITE has been adopted as a bearing surface for wooden houses, with a cumulative total of approximately 1.05 million homes as of the end of March 2023, according to Daiken's estimates.

In recent years, as the use of domestic and locally sourced timbers has been promoted in public buildings and other structures, the needs to use woods for interior wall and ceiling materials that required nonflammable properties are increasing. In this trend, Daiken has collaborated with locally sourced timbers from Tokyo and nine prefectures (as of May 2024), and non-combustible decorative panels and louver materials that combined DAILITE with locally sourced timbers are used in public facilities, station buildings, etc. Through the utilization of locally sourced timbers, the company contributes to the revitalization of local forestry.

Daiken will continue to develop products that contribute to sustainable resource circulation.



Raw materials: Volcanic Ash and Slag Wool



Ceiling: GLAVIO LOUVER, a non-combustible louver made of DAILITE base material
Wall panel: GLAVIO, a non-combustible panel made of DAILITE base material



Exterior wall underlayment: DAILITE MS, a bearing surface for wooden house

The License Business of Polyester Chemical Recycling Technology

ITOCHU, Teijin Limited, and JGC Holdings Corporation have established a joint venture company, RePEaT Co., Ltd., to license technology for the chemical recycling of polyester products in January, 2023. In FYE 2026, the first licensed factory is scheduled to be completed in China with a capacity of 50,000 tons per year.

In response to urgent needs to counter global warming, the fiber and textile industry is working on measures, including the establishment of ecosystems for resource recycling, to address issues such as CO_2 emissions from manufacturing processes and the mass disposal of used clothing. Currently, disposed textile products are used as a heat source (thermal recovery) or as raw materials for the production of other products (material recycling). Chemical recycling, however, is a revolutionary method of chemical decomposition for textile recycling that turns used textile products into new textile raw materials.

RePEaT will license recycling technology by taking advantage of Teijin's proprietary chemical recycling technology, the expertise of JGC derived from its global engineering business, and our extensive network of textile industry players. Customers in Japan and other countries are expected to launch the cost-effective chemical-recycling business for the production of polyester materials.

In addition, RePEaT will provide consulting services to help customers establish ecosystems that collect used polyester fiber products for reuse as raw materials, thereby contributing to a more sustainable world through recycling.

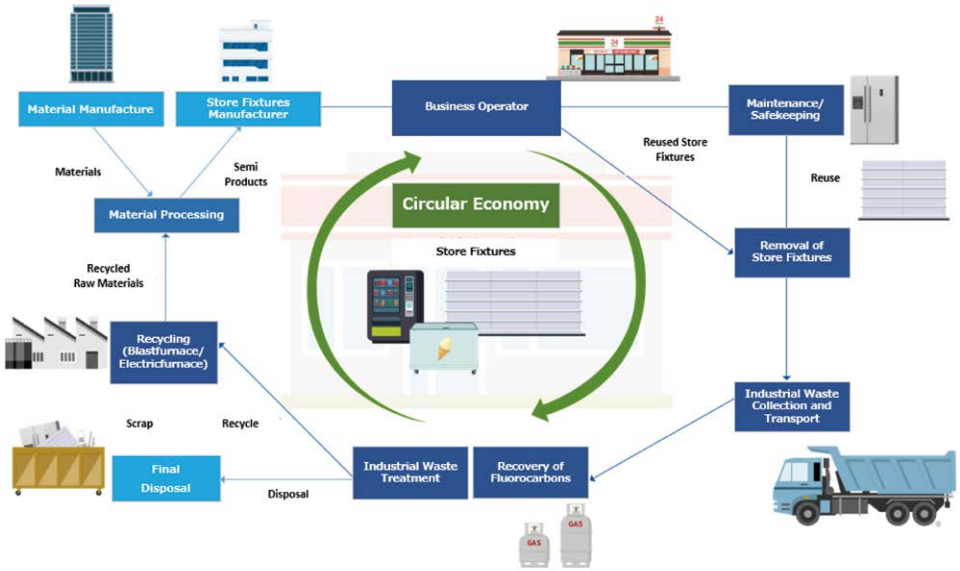
Prevention of Pollution and Resource Circulation

Providing One-Stop Waste Management Services

Franchise companies with nationwide operations have traditionally disposed of waste on a small and decentralized scale on a store or area of franchise system basis, resulting in issues such as inefficiencies in labor and costs for each business and the risk of legal violations.

ITOCHU Metals Corporation (IMC) has established a recycling network centered on the ITOCHU Tetsugenkai, which consists of more than 100 excellent recycling companies nationwide, and provides a centralized management service, including IMC's own electronic manifest system, until waste is disposed of and recycled. This system helps to significantly reduce the risk of legal violations and disposal costs for waste generators, as well as improving recycling rates.

IMC currently provides a variety of services to support the initiatives of companies in various industries, including convenience stores, store fixture manufacturers, and beverage manufacturers, by offering a cross-industry recycling platform. In addition, IMC realizes the 3Rs by reusing waste materials that can be reused from the waste materials IMC is entrusted to manage at its maintenance sites, thereby contributing greatly to the formation of a circulating society.



Leading United Kingdom for Collecting and Recycling Casing Tyres



PRO-gran crumb rubber made by casing tyres

Murfitts Group Ltd, a company under ITOCHU subsidiary European Tyre Enterprise Limited, collects and processes casing tyres in the United Kingdom each year. Using the recovered material, it manufactures a range of recycled products such as rubber crumb products for sports surfaces, pathways, children's playgrounds, carpet underlay, modified asphalt, and many other industrial applications. Its products are exported to markets across the globe.

Murfitts also has been developing and commercializing a proprietary pyrolysis technology, which decompose the tyre feedstock at high temperatures in a vacuum in order to recover various high-value materials such as carbon black and recycled fuel oil. This technology will help promote sustainability initiatives in the tyre industry by replacing one of major raw materials of tyres, carbon black, with a recycled product.

The Cooperative Development of Material Recycling Technology for Multi-layer Film Packaging

ITOCHU has entered into an agreement for cooperative development of material recycling technology for multi-layer film packaging with artience Co., Ltd. (former Toyo Ink SC Holdings Co., Ltd.)

In 2019, artience developed a technology to separate the ink, adhesive, etc. that make up the multi-layer film or packaging in cooperation with the world's largest environmental solutions company. A demonstration pilot plant started operation at the end of 2022, and, moving forward with LCA appraisals, cost simulations, and other verifications. artience plans to start a post-industrial recycling business, and aim to start the business under commercially conditions as soon as possible. In addition to acquiring exclusive marketing rights in Japan and first refusal rights in Asia and Europe related to major product materials related to this technology, we will widely provide environmental solutions to food and consumer products company, retailers, brand owners, and more through requests to build structures for material recycling using this technology and to design recyclable, environmentally-friendly packaging.

Through this initiative, both companies will make currently unrecyclable multi-layer film packaging into a recyclable product, aiming for a more than 40% material recycling rate in Japan and abroad.

Prevention of Pollution and Resource Circulation

3. Renewable

Number One Trader in the World for the Cement Substitute of Blast Furnace Slag



Structure made with blast furnace slag

Blast furnace slag is a by-product of the steelmaking process. As its property is similar to a cement, a blast furnace slag can substitute a cement. The benefits of using a blast furnace slag are, firstly, that it helps us save natural resources (e.g., limestone – the raw material of cement) and, secondly, that it enables us to cut CO_2 emissions coming from cement manufacturing process. About 840kg of CO_2 is reduced when a ton of cement is produced with using blast furnace slag.

ITOCHU has been selling blast furnace slags from Japan and other countries to all over the world for over 20 years and volume-wise, we are the No.1 independent blast furnace slag trader. As there is more call for carbon neutrality globally, a blast furnace slag will be needed even further. Our mission is to develop and keep a stable supply chain of blast furnace slag to end users and be a part of the global decarbonization efforts.

Collaboration to Introduce Renewable Biomass Polypropylene in the Japanese Market

Japan has formulated a basic strategy to introduce approximately two million tons of biomass-based plastic products by 2030 as a countermeasure against ocean plastic waste and climate change.

Since the agreement in 2020 with Borealis AG regarding the marketing of biomass polypropylene (bio-PP) derived from renewable resources in the Japanese market, ITOCHU has been working in collaboration with ITOCHU PLASTICS INC. to advance the deployment of food containers and packaging materials made from plant-derived resins with a market-oriented perspective. Specifically, since June 2021, we successfully had FamilyMart initially in Japan begin replacing some of its pasta containers made with bio-PP. We are also working on product development in various fields, primarily focusing on food containers, hygiene products, and daily necessities.

We have obtained ISCC PLUS certification for the domestic sales of synthetic resins derived from biomass resources manufactured by the mass balance method. This certification proves sustainable raw material procurement in a way that can be traced through the supply chain, and the portion of biomass raw material contributes to greenhouse gas (GHG) emissions reduction.

Prevention of Pollution and Resource Circulation

Collaboration with Outside Initiatives

Compliance with the Containers and Packaging Recycling Law

ITOCHU understands our own manufacturing and import volume of containers and packaging every year to recycle containers and packaging. We then pay a recycling fee to the Japan Containers and Packaging Recycling Association. The aim of this is to contribute to promoting the formation of a circulating society as a specified business operator prescribed by the Containers and Packaging Recycling Law.

■ **The Recycling Fee We Pay Every Year**

(Unit: Yen)

Fiscal Year		FYE 2020			FYE 2021			FYE 2022				FYE 2023				FYE 2024			
Recycling Fee/Contribution Fee		Recycling	Contribution	Total Amount	Recycling	Contribution	Total Amount	Recycling	Contribution	Total Amount	Weight (t)	Recycling	Contribution	Total Amount	Weight (t)	Recycling	Contribution	Total Amount	Weight (t)
Glass Bottles	Colorless	813,659	0	813,659	925,650	0	925,650	1,145,967	0	1,145,967	236.752	1,022,254	0	1,022,254	201.599	58,398	0	58,398	9.387
	Brown	—	—	—	—	—	—	—	—	—	—	114,234	0	114,234	13.314	2,446,217	0	2,446,217	289.594
	Other Colors	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
PET Bottles		—	—	—	—	—	—	630	0	630	0.084	—	—	—	—	—	—	—	—
Paper Containers and Packaging		15,288	4	15,292	10,168	0	10,168	15,453	0	15,453	1.385	7,654	0	7,654	0.788	15,261	0	15,261	0.885
Plastic Containers and Packaging		1,463,900	4,537	1,468,437	2,432,519	0	2,432,519	2,739,244	0	2,739,244	52.383	2,167,099	0	2,167,099	41.583	3,149,074	0	3,149,074	61.743
Total		2,292,847	4,541	2,297,388	3,368,337	0	3,368,337	3,901,294	0	3,901,294	290.604	3,311,241	0	3,311,241	257.284	5,668,950	0	5,668,950	361.609

Food Recycling

ITOCHU makes regular reports on the amount of food we discard and the amount we recycle in Japan to comply with the Food Recycling Law. We are striving to suppress the generation of waste and to promote recycling (e.g., conversion into feed) in line with the reference rate (recycling rate target).

■ **Food Recycling Rate**

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Quantity recycled	Amount of food waste generated (Unit: t)	1,125.8	955.9	939.4	1,944.3	813.6
	Amount of recycling (Unit: t)	775.5	762.0	854.6	1,747.6	759.4
	Amount of disposal (Unit: t)	350.3	193.9	84.8	196.7	54.2
Target (recycling rate target by individual food related operator)	Reference rate	79.8%	80.8%	80.8%	80.8%	80.8%
Percentage recycled	Recycle rate*1	68.9%	81.9%	91.0%	89.9%	93.3%

*1 Recycle rate is calculated as in below formula defined by the Ministry of Agriculture, Forestry and Fisheries.
(Amount of suppressed waste (vs FYE 2008) + Amount of recycling + Amount of heat recovery × 0.95 + Amount of weight reduction)/(Amount of suppressed waste (vs FYE 2008) + Amount of waste food generated)
* FYE 2026 recycling rate target: 80.8%

Initiative Participation (Activities Through Business and Industry Groups)

ITOCHU is participating in the Global Environment Subcommittee of the Committee on Environment and Safety – an environment and energy related committee of the Japan Business Federation (Keidanren). We are working to realize an environmental policy compatible with the economy (e.g., through promotion of voluntary action plans, and measures for global warming, waste and recycling and environmental risks including water management). We are also participating in the Environment Working Group of the Japan Foreign Trade Council. We are striving to build a decarbonized society, construct a circulating society, and to support environmental related laws and regulations. The goals set by the Environment Working Group are as follows:

Reduction Target for FYE 2026 in Domestic Business Activities (Trading Company Industry)

- Disposal Amount: Reduce 82% compared to FYE 2001
- Generation Amount: Reduce 62% compared to FYE 2001
- Recycling Rate: 83% or more

Water Resources Conservation

Policy and Basic Concept

ITOCHU is aware that the sustainability of water resources is indispensable for business continuity in the various businesses we are developing around the world, including those in water stressed regions. Item 5. “Conservation and Effective Use of Water Resources” of our Environmental Policy states that “We shall reduce water consumption through efficient water use and recycling, as well as take necessary measures to appropriately treat effluents.” To ensure the sustainable use of water, we are committed to raising awareness of water sustainability in our corporate culture and integrating the concern into our business decision making process. In existing businesses, we will conduct a comprehensive assessment of water consumption to improve our water efficiency and reduce water consumption.

Given these global circumstances, ITOCHU has identified its water-related business as a material area. As such, we are committed to enhancing our global capability regarding our seawater desalination business and our water supply and sewerage concession businesses, which we have been engaging in since 2014. We believe that these initiatives will allow us to contribute to solving water stress and shortage issues around the world.

Targets and Action Plan

ITOCHU sets numerical targets for the reduction of water consumption.

ITOCHU develops water and hygiene infrastructure, and appropriately treats and effectively utilizes water and waste. Through this, our water resources related business contributes to improving the hygiene environment, developing economic activities, and conserving the global environment. We are promoting the appropriate use and treatment of water, and the effective utilization of resources through expansion of our water and environmental business. In this way, we are working to reduce our environmental impact.

In Tokyo Headquarters building, we are implementing resource saving measures to recycle water through the creation of reclaimed water. This allows us to improve our water consumption efficiency in the office. The targets and indicators we track to manage our performance are noted in the table on the right.

Qualitative Targets

Item	Boundary	Target	FYE 2025 Results and Evaluation
Risk Assessment for Investment and Financing Projects	ITOCHU Corporation	Conduct a preliminary risk assessment using the ESG Checklist for Investments, which incorporates a dedicated section to water risks.	Properly implemented.
On-Site Investigation for Group Companies	ITOCHU Group	Select Group companies involved in businesses where water use is a material risk and conduct on-site investigation on the status of water management.	Held conference with Group companies in areas where water resources are particularly important.
Compliance with Laws and Regulations	ITOCHU Group	Continued awareness and response to domestic and foreign laws and regulations related to water resources (water withdrawal/discharge).	No serious legal violations related to water withdrawal and discharge.
Implementation of Water Management Plans	ITOCHU Group	Establish a water management plan to control the amount of water withdrawal, wastewater discharge, the amount of water recycled, and the water quality and temperature at the time of drainage, as well as to make effective use of water resources and reduce environmental impact.	Of the 613 Group Companies, 98 companies, or 16%, have formulated water management plans.
Sustainability Surveys	Value Chains	Conduct sustainability surveys in a questionnaire format to check our important suppliers’ status of water withdrawal, water conservation, and drainage initiatives. Do further investigation for suppliers responding with concerns.	Based on results of the questionnaire, we conducted further investigation for 9 cases. Requests for corrective actions due to concerns were 0 case.

Targets in Water Stressed Regions

Item		Boundary	Target	FYE 2025 Results and Evaluation
Initiatives in Water Stressed Regions	**Risk Assessment for Investment and Financing Projects**	ITOCHU Corporation	Conduct a preliminary risk assessment using the ESG Checklist for Investments, which incorporates a dedicated section to water risks. Conduct preliminary risk assessments on water resources for projects and investments in water stressed regions where water resources are critical to operations, such as beverages, agriculture, and mining.	Properly implemented.
	On-Site Investigation for Group Companies	ITOCHU Group	Select Group companies operating in water stressed regions and conduct on-site investigation on the status of water management.	Held conference with Group companies in areas where water resources are particularly important.

Quantitative Targets

Category		Boundary	Annual Target	FYE 2025 Results	Target	
					Period	Contents
ITOCHU Corporation	**Water Withdrawal (Clean Water)**	ITOCHU Corporation*1	Average annual reduction of 1% in total volume	13% reduction compared to FYE 2019	March 2031	11% reduction compared to FYE 2019
Water Stressed Regions*2	**Water Withdrawal (Clean Water)**	ITOCHU Group	Average annual reduction of 1% in total volume	51% reduction compared to FYE 2024	March 2031	7% reduction compared to FYE 2024

*1 We are aiming to commence the rebuilding of the Tokyo Headquarters building in September 2026, but the details of the plan are still underway. Once the details of the relocation plan are finalized, we will set new targets based on the management status of the temporary location.
*2 Quantitative targets for water stressed regions cover operations located in areas where the WRI Aqueduct Baseline Water Stress map identifies as “Extremely High Risk”.

Action Plan

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Machinery Company								
Address Climate Change (Contribute to a Decarbonized Society)	6, 12	● Water Resources ● Pollution Prevention and Resource Recycling	Improving water and sanitation infrastructures	Water and environmental projects	We will contribute to improve the sanitary conditions, the development of economic activities, and the protection of the global environment through the appropriate treatment and effective use of water and waste.	Expand water and environment projects to promote the appropriate use and treatment of water and the effective utilization of resources, and reduce the burden on the environment.	Expand the investment portfolio in the water and environment field which contribute to social demands for the environment and the promotion of a circular economy.	**Water Field** We are promoting seawater desalination business in Australia and Oman.

Water Resources Conservation

Structures and Systems

Governance

Our governance structure and systems for managing environmental and social risks related to water resources conservation are as follows:

Refer to: Governance (P16)

Evaluation of Water Resources Conservation in New Business Investment Projects

For business investment projects that ITOCHU undertakes, the impact of the project on society and environment is evaluated in advance using the ESG Checklist for Investments, a checklist that must be submitted when entering into new business investment projects. For example, it includes assessing the amount of water used and discharged, and checking the level of water stress at business sites. For projects that require expert knowledge, we make request to external experts to conduct investigations (environmental due diligence, etc.) in advance. The project is then only undertaken upon confirming that there are no problems in the results of those investigations.

Assessment of Water Resources Conservation at ITOCHU Group

ITOCHU considers ensuring stable procurement and supply to be a material sustainability issue. We are committed to improving the efficiency of our water consumption and taking necessary measures depending on the abundance of water supply in certain regions. By committing to giving these due considerations, we aim to contribute to the global water crisis.

Monitoring Changes in Water Withdrawal and Wastewater Discharge over Time

ITOCHU collects water withdrawal and wastewater discharge data from all of our consolidated subsidiaries in its annual collection of environmental data and monitors changes over time. We have established a system for Group companies to report causes of differences from the previous fiscal year to encourage appropriate water use.

Understanding Water Risks at Manufacturing Bases

ITOCHU uses the WRI Aqueduct tool developed by the World Resources Institute (WRI) to identify areas with high water stress levels at manufacturing bases affiliated with Group. With this, we have quantified the water stress levels at all our manufacturing bases in Japan and overseas and have identified areas with a high level of water stress. We take necessary measures based on changes in water availability, water usage, and the risk of stricter regulations, etc.

■ **Distribution of Water Risk at Group's Sites as of March 2025**

Overall Water Risk	Number of Sites
Low risk (<10%)	77
Low to medium risk (10-20%)	111
Medium to high risk (20-40%)	79
High risk (40-80%)	9
Extremely high risk (>80%)	8
Total	284

On-site Investigations at ITOCHU Group Companies

ITOCHU has been conducting annual on-site investigations for Group companies having relatively high environmental impacts since 2001 to strengthen our environmental risk management. Throughout the assessment, we engage with the senior management team to assess the company's water efficiency performance (water withdrawal and discharge) at facilities such as factories and warehouses as well as the company's compliance with environmental laws and regulations.

Assessment of Water Risks in the Value Chain

Assessment of Sustainability Risk in Products ITOCHU Handles

ITOCHU conducts a sustainability risk assessment for each new product we will handle. We use LCA* analytical methods to evaluate the impact the product will have on the environment and society, compliance with environmental laws and regulations, relationships with stakeholders, and more. This evaluation covers the stages of the product from the procurement of its raw materials to its manufacturing, use and disposal. If there is a significant nature-related risk in the value chain, such as water pollution, we subject that product to priority management. We then formulate and implement various regulations, procedure manuals, education on the specific work operational factors, and other measures.

* Life Cycle Assessment (LCA): This is the technique to assess the impact of one product on the environment in all stages of its lifecycle — from raw materials to manufacture, transportation, use, and disposal or reuse.

Sustainability Surveys for Suppliers

Each Company at ITOCHU and applicable ITOCHU Group companies select important suppliers based on certain guidelines, including high-risk countries, handled products, and handled amounts, to grasp the status of our suppliers. Those in charge of sales at each Company and those in charge at overseas subsidiaries and Group companies visit those suppliers and interview them. Those in charge also conduct sustainability surveys with questionnaires on important suppliers. We check the status of initiatives for water withdrawal, water conservation, and drainage treatment. We make continuous improvements by asking suppliers to address issues as necessary.

Water Resources Conservation

Initiatives

Business Activity

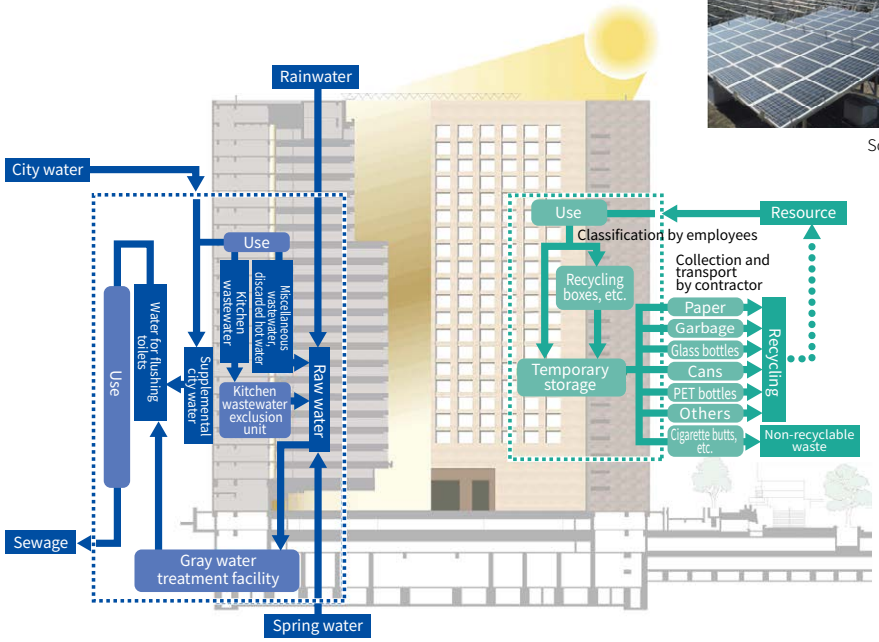
Water Management Plan and Effective Use of Water Resources at the Tokyo Headquarters Building

In order to make effective use of water resources, the Tokyo Headquarters building adopted a water management plan in the design stage of the building, and since its completion in 1980, the building has installed and maintained a reclaimed water manufacturing facility that uses kitchen waste water, rainwater, spring water, and wash basin as well as miscellaneous waste water from kitchenettes and other sources as raw water for flushing toilets.

We strive to make effective use of water resources by implementing water-saving measures to control the amount of clean water used. For example, since the amount of water available varies every year depending on the amount of rainfall, tap water usage tends to increase when rainfall is low. For this reason, continuous improvements are being made to conserve tap water by installing new washbasin, washbasin shower water savers and automatic toilet flushing water savers.



Solar panels



Effective Use of Water Resources by ITOCHU Group

ITOCHU recognizes that conservation of water resources is a global issue along with climate change and other issues. As one of the important issues of the Group's environmental policy, we make efforts to reduce water consumption through efficient water use and recycling, as well as take necessary measures to appropriately treat effluents in our domestic and overseas businesses. For example, Group company PRIMA MEAT PACKERS, LTD. and its group companies have listed "Reduction of factory water consumption (well water and supplied water)" as one of the priority issues for its ISO 14001 certified sites and is carrying out reduction activities and progress management in order to reduce food production water intensity (water consumption (m^3)/ton of food produced). Actual values are 15.3 m^3/ton in FYE 2022, 15.1 m^3/ton in FYE 2023, and 15.6 m^3/ton in FYE 2024.

Refer to: Prima Meat Packers, Ltd. website "Reducing Water Use" (https://www.primaham.co.jp/en/sustainability/environment/water.html)

Water Related Business

ITOCHU considers our water related business to be a priority field. We are deploying seawater desalination business and water utility on a global basis. This is to contribute to solving water problems around the world.

List of Water-related Businesses

Business	Content of Initiatives
Seawater desalination business	We have invested in the seawater desalination project in Victoria, Australia with a daily production volume at 440,000 m^3. This is the project that has been providing the reliable water supply for Melbourne since 2012, and this plant is capable to meet approximately 30% of the water demand of Melbourne, Victoria.
	We have invested as the largest shareholder in the seawater desalination project in Barka, Northern Oman, with a daily production volume at 281,000 m^3 in collaboration with the Oman Power and Water Procurement Company (OPWP), a state-owned company of the Sultanate of Oman. This project is the largest seawater desalination initiative in Oman, supplying 30% of the water demand for the metropolitan area, which has a population of approximately 1.5 million people.
Seawater desalination plant, and osmosis membrane manufacturing and sales	We started delivering multiple seawater desalination plants to Saudi Arabia in the 1970s. We established a joint venture company called the Arabian Japanese Membrane Company, LLC with ACWA Holding of Saudi Arabia and Toyobo in August 2010. This company manufactures and sells reverse osmosis membrane elements for seawater desalination.

Water Resources Conservation

Examples of Initiatives

Stable Supply of Life-sustaining Water

– Largest Seawater Desalination Project in Oman –



Aerial view of Oman seawater desalination plant

According to the Oman Power and Water Procurement Company, water demand in central Oman is expected to grow at an approximate annual rate of 2% until 2029. The shortage of drinking water has been recognized as an issue to be resolved in the context of population increase as well as urbanization. The Barka Desalination Company in which ITOCHU has a stake of as its largest shareholder entered into a seawater desalination agreement for a daily production volume of 281,000 m^3 in Barka in the northern part of Oman for the stable supply of water in that country in March 2016. This project is a Public-Private Partnership with the Oman government to provide domestic water to the Barka region, which is a severely water-stressed region. We have constructed reverse osmosis membrane (RO membrane) seawater desalination plant and surrounding facilities. These will be operated for 20 years. The plant started commercial operation in June 2018. This is the largest seawater desalination project in Oman with total project cost of approximately US 300 million dollars. Besides, we realized listing on the Muscat Stock Exchange in February 2022.

The water demand is arising because of the worldwide population growth, economic development, and global warming. In response to this, we consider the water business to be a priority field. Accordingly, we are proactively expanding our activities into seawater desalination, water supply and drainage businesses. We will continue to promote business that contributes to the effective utilization of water resources in regions around the world in the future.

Environmental Costs Related to Water

Among the Environmental Conservation Costs (P121) (FYE 2025) disclosed in the Environmental Accounting, associated with water are as follows:

Cost for water pollution prevention, wastewater treatment cost, grey water production cost, monitoring measurement cost and management cost	10,312 thousand yen
Research and development expenses for water risk aversion (donation to Division of Climate System Research, Atmosphere and Ocean Research Institute, the University of Tokyo)	500 thousand yen

Collaboration with Outside Initiatives

Japan Business Federation (KEIDANREN) Working Group on Global Environment Strategy under the Committee on Environment

ITOCHU is participating in the Working Group on Global Environment Strategy under the Committee on Environment, an environment and energy related committee of the Japan Business Federation (Keidanren). We are working to realize an environmental policy compatible with the economy (e.g., through promotion of voluntary action plans, and measures for global warming, waste and recycling and environmental risks including water management).

The Environment Working Group of the Japan Foreign Trade Council

ITOCHU is participating in the Environment Working Group of the Japan Foreign Trade Council. We are striving to build a decarbonized society, construct a circulating society, and to support environmental related laws and regulations with other trading companies.

Participation in the CDP (Water Security)

Refer to: Participation in Initiatives (P41)

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

Policy and Basic Approach on Natural Capital and Biodiversity

ITOCHU invests in businesses and trades globally from raw materials and other areas of the upstream processes to the downstream processes. We depend heavily on renewable and non-renewable natural capital which benefits people such as plants, animals, the air, water, land and minerals. Our businesses may also have a negative impact on that natural capital.

We see addressing global environmental issues, including natural capital and biodiversity, as a top management priority. Accordingly, we have established the following Biodiversity Policy to promote conservation of biodiversity as indicated in the ITOCHU Group Environmental Policy to realize the ITOCHU mission of *Sampo-yoshi* (good for the seller, good for the buyer and good for society). Based on the Biodiversity Policy, we will continue to contribute to the realization of a sustainable society. We are also engaged in initiatives in business-related areas as part of our social contribution activities in communities.

Biodiversity Policy

1. Biodiversity-friendly Environmental Management

We recognize that our business activities depend on the blessings of biodiversity and that they may affect the ecosystem. Accordingly, we shall promote environmental management that incorporates a wide range of environmental activities (such as interrelated climate change measures, resource circulation measures and biodiversity conservation) into our business activities to build a society in which we coexist with nature.

2. Understanding and Reducing the Impact of the Relationship between Business and Biodiversity

We are aiming for a net positive impact on biodiversity by understanding the relationship between our business activities not only in our group companies but across our entire group and biodiversity from a global perspective. We shall strive to avoid and minimize the impact our business activities have on biodiversity. At the same time, we shall promote the restoration of the ecosystem.

We have established a procurement policy to protect natural forests and forest resources concerning forest commodities (such as timber, natural rubber and palm oil). We shall promote information gathering to confirm there is zero deforestation due to production from protected areas designated by law.

3. Compliance with International Treaties and the National Laws of Each Country

We shall promote the conservation of biodiversity by complying with international treaties on biodiversity (e.g., the Convention on Biological Diversity) and the relevant national laws of each country.

We shall promote social contribution activities to protect endangered species in the areas in which we conduct business activities. This is in addition to not participating in transactions relating to endangered species designated by the Washington Convention (CITES)* with our business activities.

* CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora

4. Enhancement of Partnerships and Conservation of Local Ecosystems

We shall look to share awareness of biodiversity by cooperating with industry groups, supply chains, NGOs and international organizations. We shall then make our biodiversity conservation efforts more effective.

We shall take into account conservation of biodiversity in the areas in which we conduct business activities. At the same time, we shall promote conservation of biodiversity from the perspective of creating communities that utilize natural resources to contribute to the realization of affluent and safe lives in local communities. We shall do this together with stakeholders such as local residents and NGOs in addition to governmental bodies.

5. Enhancement of Information Sharing and Dissemination

We shall promote understanding of biodiversity to local residents of the areas in which we conduct business activities in addition to our employees through awareness activities.

We shall contribute to raising awareness of biodiversity over the whole of society by continuously disclosing the details, targets and achievement status of our efforts.

Fumihiko Kobayashi
Member of the Board
Executive Vice President
Chief Administrative Officer

Established in April 2022

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

Governance

Governance for Nature-related Issues

ITOCHU acknowledges addressing sustainability issues, including natural capital and biodiversity, as one of our key management issues. Therefore, our Board of Directors deliberates and makes decisions on important matters such as policies to address nature-related risks and opportunities, and annual budgets and business plans which take into account risks and opportunities.

We have given the Sustainability Committee the overall management responsibility for planning and implementing various measures to address sustainability-related matters including natural capital and biodiversity. Our Chief Administrative Officer (CAO) is a Director with responsibility for nature-related issues. Together with this, the CAO is a member of the Headquarters Management Committee (HMC) at the executive level. The CAO also serves as the Chair of the Sustainability Committee. The CAO reports the matters deliberated and decided on by the Sustainability Committee together with the situation of the main activities to promote sustainability to the Board of Directors about twice a year. The Board of Directors considers the matters deliberated and decided on by the Sustainability Committee according to those reports. Through these procedures, the Board of Directors appropriately oversees the promotion of business and investment strategies to address environmental and social risks and opportunities. This includes reviewing those strategies and making asset replacement decisions. Moreover, the managers in each Company and Headquarters' administrative division who also serve as ESG Officers also participate as core members in the Sustainability Committee at the executive level. The Sustainability Committee receives reports about natural capital and biodiversity-related matters from the Sustainability Management Division and those in charge of promoting ESG in each Company and Headquarters' administrative division. The committee then uses those reports to manage and monitor progress on various measures and initiatives.

The Chair of the Sustainability Committee and the managers in each Company (ESG Officers) hold a Sustainability Advisory Board once a year to enter into dialogue with external specialists. The Sustainability Advisory Board allows its members to grasp the expectations and demands society has in us. The members then promote its business with the consideration to those sustainability issues discussed in the Advisory Board.

Refer to: Our Sustainability-related Governance Organization (P16)

Nature-related Human Rights and Stakeholder Engagement

ITOCHU Group has established The ITOCHU Group Human Rights Policy based on the United Nations Guiding Principles on Business and Human Rights. This policy specifically expresses the Group's concept of respect for human rights. We have used this policy to declare we will conduct human rights due diligence and enter into dialogue and discussions with potentially affected Groups and stakeholders.

We have also formulated "Respect for the Rights of Indigenous Peoples" as an individual policy. This policy makes it clear we will respect and consider the rights of indigenous people as stipulated in the laws of the countries and regions where the Group engages in business activities and international agreements such as the "United Nations Declaration on the Rights of Indigenous Peoples" and the "International Labour Organization (ILO) Convention 169." When considering a new business investment project, we strictly check in advance the impact that business will have on the rights of indigenous people. We also periodically conduct human rights due diligence even after starting that business. We conducted human rights due diligence from FYE 2020 to FYE 2025 in our food-related business (Food Company), textile-related business (Textile Company), and forest goods and materials-related business (General Products & Realty Company) with their high dependency on natural capital, and our metals-related business (Metals & Minerals Company) and consumer business (The 8th Company) with its high impact on natural capital. We have also set the impact on local communities and residents as a human rights risk indicator to be investigated.

Refer to: Human Rights (P151)

Risk and Impact Management

ITOCHU monitors the risks to our business from changes in natural capital and biodiversity in each country and business site. We manage the nature-related risks we have identified as major risks (environmental and social risks) in ITOCHU Group risk analysis. We consider and evaluate the nature-related risks we have identified during the investment decision process. We utilize risk identification, evaluation, information management and monitoring systems in each department responsible for managing these risks on a consolidated basis.

Identification and Evaluation of Nature-related Risks

ITOCHU acknowledges risk management as a key management issue. Therefore, we have established a basic risk management policy for the ITOCHU Group and develop the necessary risk management systems and techniques based on the concept of the COSO-ERM framework. As stated in the ITOCHU Group Environmental Policy, we collect information on laws and regulations related to environmental conservation and then comply with them. We have also introduced an environmental management system (EMS) based on ISO 14001. We recognize the impact our business activities may have on the environment and society. We also work to grasp the status in Group companies.

For example, we grasp and evaluate water risks at manufacturing sites using the WRI Aqueduct tool developed by the World Resources Institute (WRI). We also periodically identify and evaluate other nature-related risks in line with the frameworks established by the international organizations we mention later.

Refer to: ITOCHU Group Risk Management (P228)

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

Integrating Nature-related Risk Management into the ITOCHU Group Risk Management System

Due to the nature of our broad-based operations, ITOCHU is subject to various risks, including market risks, credit risks and investment risks. In addition to establishing various internal committees and designated responsible departments, we have created a risk management organizational structure and management methods necessary to address these risks. This organizational structure includes outlining management regulations, investment standards, risk limits, and transaction limits, as well as establishing structures for reporting and monitoring to enable integrated Group risk management.

Nature-related risks are one of the major risks (environmental and social risks) subject to Group risk management. We incorporate this risk management into the evaluation methods for each business phase shown in the table below, which can broadly cover our business activities including management of investment, trading products, logistics, Group companies, supply chain, business strategy, portfolio, etc.

Nature-related Risk Management Procedures and Evaluation Methods for Each Business Phase

Business Phase	Evaluation Method
Business start	● Environmental and social risk assessments including nature-related risks for new investment projects
Business management	● Environmental risk assessments for handled products (LCA evaluation for the overall supply chain) ● ITOCHU Group company environmental status surveys (2, 3 companies per year) ● Supply chain sustainability surveys (supplier) ● Internal environmental audits based on ISO 14001
Review business strategy	● Consider business strategy, portfolio restructuring

Nature-related Risk Management Systems

Business Start Phase (Evaluation of the Impact on Biodiversity for New Business Investment Projects)

ITOCHU uses the ESG Checklist for Investments to evaluate in advance the impact our business investment projects will have on the environment and society. This evaluation includes, for example, grasping the impact a project will have on the ecosystem and whether it will have an impact on the natural environment and biodiversity such as by depleting resources. If we find there will be an impact, we conduct a risk assessment. If necessary, we take measures such as requesting additional due diligence from an external specialist agency to confirm there will be no problems. Only then do we invest in the projects.

Business Management Phase (Assessment of the Impact on Biodiversity in the Value Chain)

Assessment of Sustainability Risk in Products ITOCHU Handles

ITOCHU conducts a sustainability risk assessment for each new product we will handle. We use LCA* analytical methods to evaluate the impact the product will have on the environment and society, compliance with environmental laws and regulations, relationships with stakeholders, and more. This evaluation covers the stages of the product from the procurement of its raw materials to its manufacturing, use and disposal. If there is a significant nature-related risk in the value chain, we subject that product to priority management. We then formulate and implement various regulations, procedure manuals, education on the specific work operational factors, and other measures.

* Life Cycle Assessment (LCA): This is the technique to assess the impact of one product on the environment in all stages of its lifecycle — from raw materials to manufacture, transportation, use, and disposal or reuse.

Sustainability Survey for Suppliers

Each Company at ITOCHU and applicable ITOCHU Group companies select important suppliers based on certain guidelines, including high-risk countries, handled products, and handled amounts, to grasp the status of our suppliers. Those in charge of sales at each Company and those in charge at overseas subsidiaries and Group companies visit those suppliers and interview them. Those in charge also conduct sustainability surveys with questionnaires on important suppliers. We check the situation of initiatives for natural capital including biodiversity. We make continuous improvements by asking suppliers to address issues as necessary.

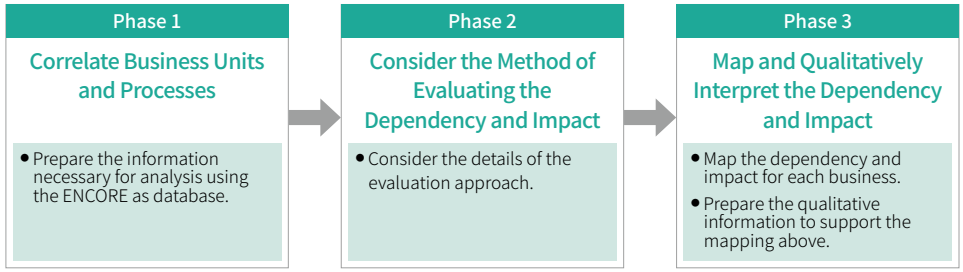
Business Evaluation Based on the TNFD Framework

Scoping

ITOCHU recognizes the importance of nature-related financial disclosures and participates in the TNFD* Forum. In order to confirm the applicability of the methodology recommended by the TNFD to us, we conducted a desktop analysis to identify the potential dependencies and impacts on natural capital across all businesses within the ITOCHU Group, using the TNFD framework as a reference. Based on this analysis, we identified high-priority businesses.

* TNFD: Taskforce on Nature-related Financial Disclosures

Steps of Scoping

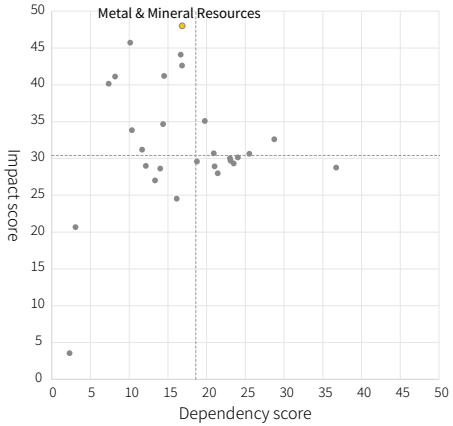


Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

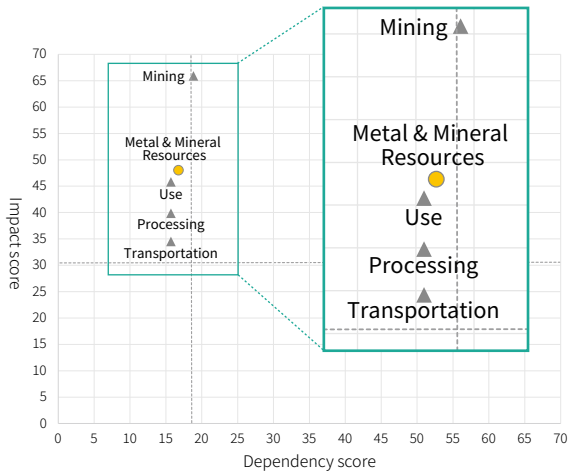
Specifically, we used the natural capital impact assessment tool “ENCORE” developed by the United Nations Environment Programme and other organizations, to categorize the activity processes along the value chain, including both upstream and downstream of our business, according to the processes defined by ENCORE. Then, by consolidating businesses with similar processes, we formed 28 groups. For each of those groups, we calculated the score for each dependency and impact while taking into account the degree of our involvement and other factors in the businesses in our value chain. We evaluated the dependency of each business on natural capital in six stages and totaled the dependency score. We also evaluated the impact in the same way in five stages and totaled the impact score. For instance, we can break down the evaluation of Metal & Mineral Resources businesses into the following elements. The average of the evaluation scores for each of these business processes is shown as the results of this analysis.

We organized these results with the impact on the vertical axis and the dependency on the horizontal axis. This gives us a map of the dependency and the impact as shown in the figure below.

■ **Dependency and impact mapping (Metal & Mineral Resources business)**



■ **Breakdown of the dependency and impact for each value chain in the Metal & Mineral Resources business**



* The dashed lines show the average dependency and impact scores of all ENCORE processes

LEAP Approach

Trial Analysis

To verify the validity of the scoping (evaluation of all businesses) using ENCORE and to deepen our understanding of dependencies and impacts on natural capital, as well as the risks and opportunities arising from them, ITOCHU conducted a LEAP approach* on our high-impact businesses. The LEAP approach comprehensively evaluates the natural capital-related issues advocated by the TNFD.

* The LEAP approach is a method developed by the TNFD to clarify nature-related issues in applicable businesses. This method consists of four steps: Locate, Evaluate, Assess and Prepare

■ **Overview of the LEAP Approach**

Locate	• Determine the scope of analysis. Next, identify the activity areas of our businesses and value chains. Identify sensitive locations with high priority from biodiversity and water risk perspectives.
Evaluate	• Identify the dependency and impact on natural capital in the sensitive locations with high priority. • Evaluate the ecosystem services, impact drivers and related natural capital to evaluate the size and scale of important dependencies and impacts.
Assess	• Assess the short-, medium- and long-term risks based on the dependency and impact situation. • Confirm the current risk management situation and then consider the additional necessary measures against risks.
Prepare	• Input the evaluation related to the important nature-related risks and opportunities to managers. Consider strategies, resource allocation and target setting. • Disclose in accordance with the TNFD recommendations.

Organized by ITOCHU based on the Guidance on the identification and assessment of nature-related issues: The LEAP approach (https://tnfd.global/wp-content/uploads/2023/08/Guidance_on_the_identification_and_assessment_of_nature-related-issues_The_TNFD_LEAP_approach_v1.pdf)

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

We analyzed on mining process with an especially high impact score in our Metal & Mineral Resources business which we determined has the highest impact on natural capital in our scoping using ENCORE.

First, we identified ecologically sensitive locations in the Locate analysis. We identified these sites using the five definitions for sensitive locations in the TNFD LEAP approach guidance and the indicators in the databases which organize the criteria for those definitions*. We also identified relevant biome and ecosystem information using the IUCN Global Ecosystem Typology and the Global Map of Ecoregions for some of our business sites after taking into consideration the importance of this business and we performed the Evaluate analysis for the dependency and impact on natural capital. We refined the dependency and impact measurement results in this analysis by investigating the TNFD sector guidance for metals and mining and local environmental assessment reports. As a result, it was confirmed that the mining process of the project has a significant degree of impact on natural capital, as suggested in the scoping.

Subsequently, together with the sales representatives for the metal resource business, we conducted a sampling survey to verify the status of measures related to past environmental assessments and permits for each project. Throughout these dialogues, we could confirm that recognizing the degree of impact of our Metal & Mineral Resources business activities on natural capital we have implemented the projects with stricter environmental assessments and a mine closure policy to reduce future impacts.

Refer to: Policy on Decommissioning of Mining Operations (P153)

* Databases used: WWF Biodiversity Risk Filter, WWF Water Risk Filter, Species Threat Abatement and Restoration, Biodiversity Intactness Index, Ecoregion Intactness Index, Critical Natural Asset layers and Integrated Biodiversity Assessment Tool

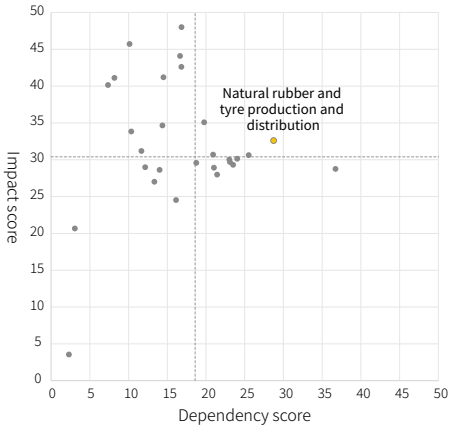
Natural Rubber Business

ITOCHU has confirmed the applicability of the LEAP approach to our business analysis through the analysis of our Metal & Mineral Resources business. Subsequently, we conducted a LEAP analysis for our natural rubber business, which has a relatively high dependence on natural capital among our businesses. Natural rubber is also included in the High Impact Commodity List compiled by the Science Based Targets Network (SBTN)*, identifying commodities with a significant impact on natural capital. In general, the cultivation of natural rubber is associated with serious social issues, such as human rights and poverty issues for smallholders. Considering these factors, we determined that conducting a LEAP analysis on the natural rubber business would be highly significant to deepen understanding of its dependence and impact on natural capital, and to reduce risks and create opportunities.

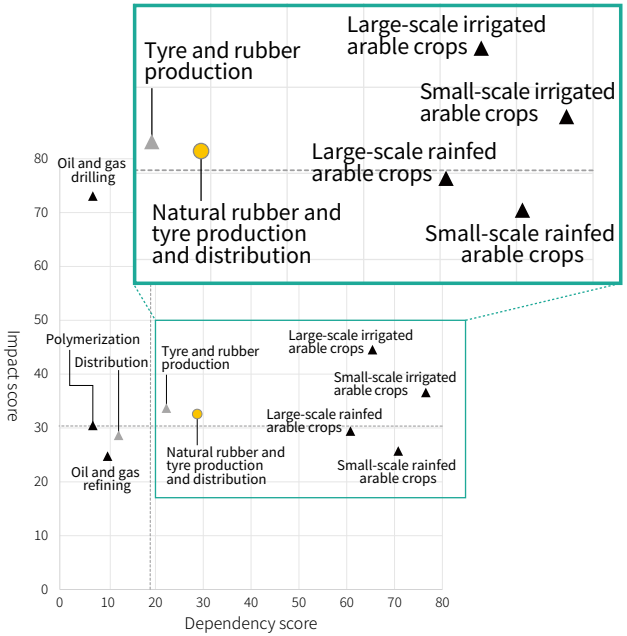
The results of our assessment of the dependence and impact of the natural rubber business on each of the business processes indicate that the procurement (natural rubber cultivation) and manufacturing (rubber processing) processes are particularly dependent on the natural capital. Therefore, in this analysis, we focused on these two processes.

* Global initiative to develop science-based targets for nature

Dependency and impact mapping (Natural rubber business)



Breakdown of the dependency and impact for each value chain in the natural rubber business



* The dashed lines show the average dependency and impact scores of all ENCORE processes

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

Locate

The natural rubber handled by ITOCHU is mainly produced in Indonesia. We identified sites associated with ecologically sensitive locations using database in the table below, covering all rural villages in the country of procurement and the processing plant of PT. Aneka Bumi Pratama (ABP), a subsidiary of ITOCHU. ABP is a natural rubber processing company.

Criteria for Sensitive Locations	Database used
1. Importance for Biodiversity	• WWF Biodiversity Risk Filter • STAR (Species Threat Abatement and Restoration) metric
2. High Ecosystem Integrity	• BII (Biodiversity Intactness Index)
3. Rapid Decline in Ecosystem Integrity	• Ecoregion Intactness Index
4. High Physical Water Risks	• WWF Water Risk Filter
5. Importance for Ecosystem Service Provision, Including Benefits to Indigenous Peoples, Local Communities and Stakeholders	• Critical Natural Asset layers

We rated all rural villages and processing plants on a five-point scale using indicators from each database. As a result, approximately 89% of the rural villages fell into the “2. High Ecosystem Integrity,” and approximately 85% of the rural villages, based on a procurement weight, were included in this category. We also found that many factory sites located near rural villages are also close to protected areas and fall into the category of sensitive location as “1. Importance for Biodiversity.” Areas important for biodiversity are regions of high conservation value that may also contain significant opportunities to protect environmental assets and maintain ecosystem services. We are working to protect the ecosystems and biodiversity of natural rubber production sites through PROJECT TREE (P95), an initiative to prevent uncontrolled growth of farm land, over-cultivation and illegal logging near protected areas.

Evaluate

We evaluated dependencies and impacts on natural capital by natural rubber cultivation and rubber processing processes through literature reviews.

We used the “Environmental Risk Assessment of Natural Rubber Production and Processing” published by GPSNR (Global Platform for Sustainable Natural Rubber).

The review found that the cultivation process of natural rubber is highly dependent on biomass provisioning, genetic material, climate condition, soil quality regulation, and purification and disaster mitigation services. Also, land use change and solid waste emissions have significant impacts on nature.

In addition, the processing process of natural rubber is highly dependent on water sources (rivers), and water consumption and pollution of soil are found to have significant impacts on nature. Furthermore, based on these literature reviews, our employee, who has several years of expat experience in the field, conducted a close examination of those dependencies and impacts in our operations from the practical perspective.

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

Assess

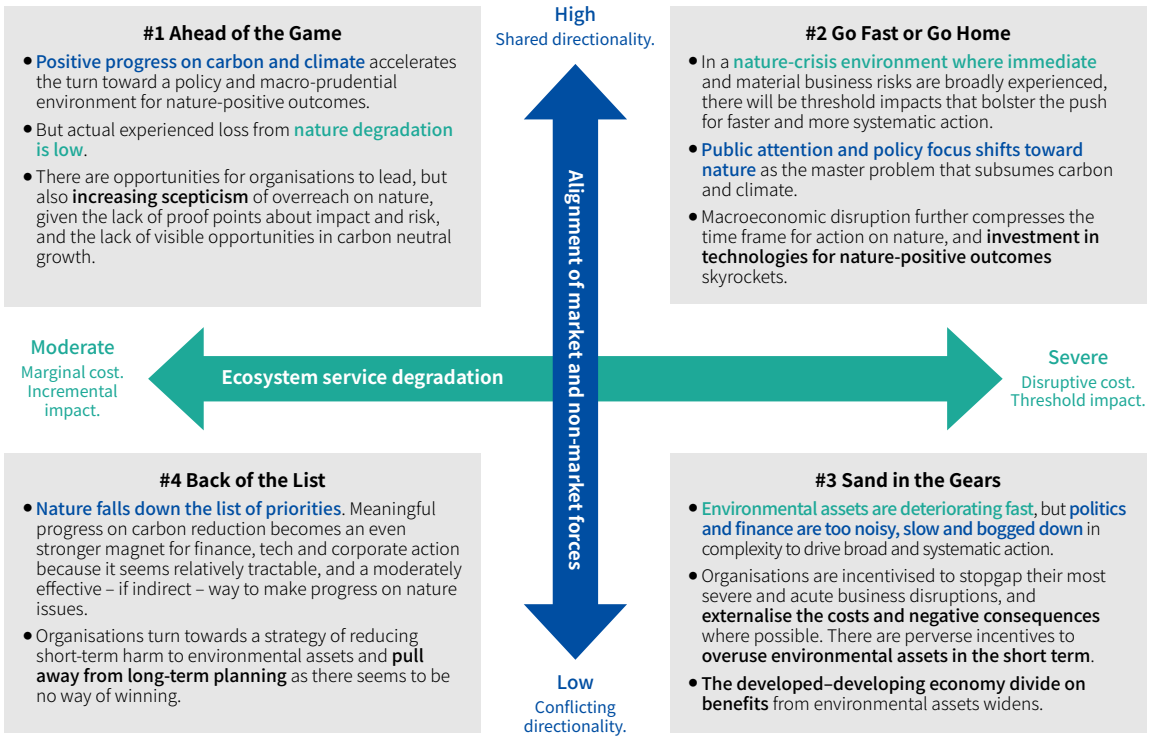
Based on the findings of the general dependencies and impacts of natural rubber cultivation and processing processes identified in the Evaluate phase, we examined the nature-related risks and opportunities for our business. Specifically, using the LEAP approach guidance and Additional Sector Guidance – Food and Agriculture by TNFD, we developed a comprehensive list of risks and opportunities for natural rubber business and refined the content to reflect the actual situation, in the same way as in the Evaluate phase.

Furthermore, we have evaluated the significance of risks and opportunities on a three-point scale (Low, Medium, and High), assuming a future scenario as of 2030.

The TNFD developed four scenarios based on two critical uncertainties: "Ecosystem Service Degradation (physical risk)" and "Alignment of Market and Non-Market Forces (transition risk)." We determined that we are in a "#2 Go Fast or Go Home" (a scenario in which the damage from loss of nature is significant, and the public attention for nature is high and cooperative) and assessed the magnitude and likelihood of these risks and opportunities.

The desktop analysis conducted in the Evaluate phase indicated that, for example, soil pollution has a significant impact on nature. However, the results of the Assess phase showed that the factory we operate has appropriate wastewater treatment and other measures in place, and that the risk is not significant.

■ **Overview of the four scenarios presented in the TNFD Guidelines**



● Organized by ITOCHU based on the Guidance on scenario analysis (https://tnfd.global/wp-content/uploads/2023/09/Guidance_on_scenario_analysis_V1.pdf?v=1695138235)

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

Finally, we organized and discussed measures to address the risks and opportunities that were rated as highly significant.

In the desktop analysis, flooding and other natural disasters were identified as risks related to the natural rubber business. However, since we operate in locations where the occurrence of water-related disasters is low, we recognize that the risk is relatively low. We have also confirmed that measures to address other risks and opportunities have already been taken. Additionally, we work to realize opportunities by launching a sustainable natural rubber production project called PROJECT TREE (P95) starting in 2019. Details on how each risk and opportunity is addressed are provided in the tables below.

Risk

Type		Business Process	Description	Status of Response	Importance
Physical Risks	Acute Risks	Procurement	Decrease in natural rubber yield due to the spread of pathogens and viruses, resulting from the vulnerability to diseases of rubber farm formed by clone individuals.	Conduct educational activities on the importance of proper farm management to prevent the spread of pathogens and viruses in PROJECT TREE.	Medium
			Decrease in yield and quality due to reduced microbial diversity in the soil and spread of white root rot disease, resulting from the continued monoculture of Para rubber tree.	Recommendation for farmers to grow diverse crops, including agroforestry to prevent white root rot disease in PROJECT TREE.	Medium
			Loss of continuity in natural rubber cultivation due to the increase in natural disasters such as heavy rainfall, floods, and typhoons.	Distribution of purchasing areas in factory suburbs and throughout southern Sumatra.	Medium
			Poor growth and lower yields of rubber trees resulting from deviation from optimal growing temperatures, lack of sunlight, changes in rainfall patterns caused by climate change.	Conduct educational activities on proper farm management in PROJECT TREE.	Medium
		Processing	Damage to factory infrastructure and factory shutdowns due to extreme weather and natural disasters caused by climate change.	Confirmed prompt response capability to natural disasters such as flooding during past events.	Medium
			Inability to appropriately intake water during flooding.		
			Pollution of rivers and watershed soil due to discharge of wastewater exceeding water quality standards into rivers.	Equipped with wastewater treatment facilities and conducts hourly water quality inspection.	Medium
	Chronic Risks	Procurement	Decrease in natural rubber yield and quality resulting from degradation of surrounding water and soil quality due to excessive use of chemical fertilizers by the rubber plantation, and industrial activities in the area.	Conduct educational activities on chemicals that cause pollution and wastewater treatment in PROJECT TREE.	Medium
			Decrease in natural rubber yields due to increased pathogens, pests, and vermin.	Conduct educational activities on proper farm management in PROJECT TREE.	Medium
Transition Risks	Policy/ Laws and Regulation	Procurement	Introduction and tightening of regulations on sustainability and traceability.	Further expansion of PROJECT TREE that is an activity to ensure traceability and increase the sustainability of natural rubber, promotion of TREE+* implementation	High
			Introduction or modification of laws and regulations along with strengthening of reporting obligations, to protect the environment around rubber farm.	Through PROJECT TREE, promote regulatory compliance by informing and educating smallholders about laws and regulations.	Medium
		Processing	Introduction or modification of laws and regulations, along with the strengthening of reporting obligations, to protect against the negative environmental impacts caused by rubber processing plants.	Developing environment-related data and improving it as needed.	Medium
	Market	Procurement	Changing customer preferences, including increased demand for products produced and manufactured in sustainable methods with lower impacts on nature.	Spreading sustainable natural rubber production methods to smallholders and supplying the product to the market through PROJECT TREE.	Medium
			Decrease in procurement sources as rubber farmers shift crops due to changes in profitability.	Adequate compensation to farmers by PROJECT TREE prevents rubber farmers from crop shifting (redistributing a portion of the sales, etc.)	Medium
		Processing	Transition to nature-positive production methods, including the establishment of manufacturing processes with less environmental impact and the introduction of equipment to improve resource efficiency.	Already using biomass as a heat source for natural rubber drying, considering transition to nature-positive production methods in every situation.	Medium
	Technology	Procurement	Delay in promotion of traceability assurance due to stagnation in smartphone penetration among rubber farmers.	Planning to provide free smartphones to farmers.	Medium
	Reputation	Procurement	Increased criticism from consumers and investors and decrease in brand value due to procurement of natural rubber from rural farm with inadequate nature management practices.	Risk assessment of farmers in PROJECT TREE to identify and improve farms with inadequate natural management.	Medium
			Criticism of greenwashing due to unsustainable projects claiming to be sustainable.	PROJECT TREE is promoted with the cooperation and guidance of international NGOs, namely, Proforest and SNV.	Medium
		Processing	Cancellation of certification or damage to corporate value due to poor environmental management or resulting from environmental accidents.	In addition to ISO audits by an external organization, PT. Aneka Bumi Pratama (ABP), a natural rubber processing company, conducts annual internal audits to reduce the risk of certification revocation.	Medium
	Liability	Procurement	Lawsuits and fines from local communities due to odors and water pollution caused by waste and pollutants discharged from upstream suppliers.	Conduct educational activities on sewage and waste treatment for farmers in PROJECT TREE.	Medium
		Processing	Lawsuits and fines from surrounding communities due to health hazards derived from toxic pollutants by the plant and endocrine disruptors.	Properly dispose of sewage, exhaust, and waste in accordance with rules, laws and regulations.	Medium

* Natural rubber that ensures traceability and complies with the EUDR (EU Deforestation Regulation)

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

Opportunity

Type		Business Process	Description	Status of Response	Importance
Business Performance	Resource Efficiency	Procurement	High efficiency of natural rubber supply by PROJECT TREE.	In PROJECT TREE, deploying agricultural technology support and educational activities that contribute to increased yields of natural rubber.	High
			Breeding (resistance to natural disasters, disease and high temperatures as well as sterilization, etc.)	In PROJECT TREE, major suppliers of ABP are planning to distribute improved varieties developed on their own farm to smallholders.	High
			Promote traceability using blockchain and other technologies.	Collecting data using a traceability system based on blockchain technology developed in-house. Considering the use of data to improve logistics efficiency and reduce CO_2 emissions.	High
		Processing	Improved efficiency of waste tires collection process and reconditioning.	Considering the collection of waste tires and the sale of them to used tire shops, utilizing the tire distribution network for Nalnet Communications, a company in which ITOCHU has capital participation.	High
	Products and Services	Procurement	Increased supply of sustainability-certified natural rubber.	Focusing on the supply of EUDR compliant products through PROJECT TREE. Responding to strong demand from tire manufacturers for EUDR compliant products.	High
		Processing	Increased supply of recycled products through the waste tires collection.	Of the collected waste tires, those still usable are planned to be resold to consumers via used tire shops.	High
	Market	Procurement	Maintain brand value and market leadership by supplying sustainable natural rubber	Increased incentive income for smallholders from increased distribution of natural rubber certified as origin by PROJECT TREE due to the enhanced brand value of PROJECT TREE.	High
			Develop business strategies aligned with Kunming-Montreal Global Biodiversity Framework (GBF) 2030 and 2050 goals.	PROJECT TREE aims to “halt agricultural land development and illegal logging around protected areas,” and can promote GBF “Target 1: Plan and Manage all Areas To Reduce Biodiversity Loss.”	High
	Capital Flow and Financing	Procurement	Access to nature-related and environmentally-conscious funds, bonds, or loans.	Expecting financial institutions to offer and increase the overall financing capacity, such as proposing sustainability-linked loans for companies participating in PROJECT TREE.	High
Sustainability Performance	Sustainable Use of Natural Resources	Procurement	Transition to processes that increase positive impacts and reduce negative impacts on nature.	PROJECT TREE contributes to being nature-positive by avoiding illegal logging in protected forests and is constantly considering a transition to nature-positive production methods.	High
		Processing	Transition to processes that increase positive impacts and reduce negative impacts on nature through the establishment of recycling systems.	Aiming to reduce environmental impact by reusing tires that were previously discarded.	High

Note that this section focused on those rated “Medium” and “High” for risks, in order to ensure proper identification and mitigation of risks, and those rated “High” for opportunities.

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

Prepare

In order to mitigate significant risks and create opportunities, it is important to ensure traceability and reduce environmental impacts in collaboration with farmers. The core global indicators that TNFD recommends for disclosure and our specific collection indicators that we have considered based on the results of our analysis are as follows:

■ Metrics

Metric No.	Category/Indicator	Collection Metrics	(Reference) Related Risks and Opportunities
C3.1	Quantity of high-risk natural commodities sourced from land/ ocean/freshwater	• A procurement of natural rubber through ABP (approximately 197 thousand tons)	• Loss of continuity in natural rubber cultivation due to the increase in natural disasters such as heavy rainfall, floods, and typhoons. • Extension of capital investment cycle period due to reduced deterioration of own infrastructure.
C1.1 FA.C1.0	Land/freshwater/ ocean-use change (regenerative and sustainable land management) Deforestation-free Products	• Total area held by farmers registered with PROJECT TREE (52,600ha as of February 2025) • PROJECT TREE products rate in ABP (maximum 24%) • Number of smallholders participating in PROJECT TREE (https://project-tree-natural-rubber.com/activity-report/2501/AR-25/)	• Loss of continuity in natural rubber cultivation due to the increase in natural disasters such as heavy rainfall, floods, and typhoons. • High efficiency of natural rubber supply by PROJECT TREE. • Extension of capital investment cycle period due to reduced deterioration of own infrastructure. • Stabilization of factory operations through the availability of a stable amount of water by the development of reservoirs to store rainwater and river water, etc. • Expanding the use of electricity derived from PKS (Palm Kernel Shell), a renewable energy source from biomass. • Improving efficiency of waste tires collecting process and reconditioning processing.
A22.0, A22.1, A22.2, A22.3, A22.4	Value Chain	• Traceability rate in ABP (P183) • FSC certification rate (https://www.ptabp.co.id/sustainability/projecttree)	• Loss of continuity in natural rubber cultivation due to the increase in natural disasters such as heavy rainfall, floods, and typhoons. • High efficiency of natural rubber supply by PROJECT TREE. • Improvement of business continuity against natural disasters through the development of infrastructure such as reservoirs, rice paddies, and water sprinklers. • Extension of capital investment cycle period due to reduced deterioration of own infrastructure. • Stabilization of factory operations through the availability of a stable amount of water by the development of reservoirs to store rainwater and river water, etc.
Company-specific	Physical Risks	• Number of farmers participating in educational activities on pollution prevention and farm management in PROJECT TREE • Status of local government certification for pollution prevention (https://www.ptabp.co.id/business/certification)	• Decrease in natural rubber yield due to the spread of pathogens and viruses, resulting from the vulnerability to diseases of rubber farm formed by clone individuals. • Poor growth and lower yields of rubber trees due to deviation from optimal growing temperatures, lack of sunlight, changes in rainfall patterns caused by climate change. • Decrease in yield and quality due to reduced microbial diversity in the soil and spread of white root rot disease, resulting from the continued monoculture of Para rubber tree. • Pollution of rivers and watershed soil due to discharge of wastewater exceeding water quality standards into rivers. • Decrease in natural rubber yield and quality resulting from degradation of surrounding water and soil quality due to excessive use of chemical fertilizers by the plantation, and industrial activities in the area. • Decrease in natural rubber yields due to increased pathogens, pests, and vermin. • Increased criticism from consumers and investors and decrease in brand value due to procurement of natural rubber from rural village with inadequate nature management practices.
	Transition Risks	• Number of smallholders participating in PROJECT TREE (https://project-tree-natural-rubber.com/activity-report/2501/AR-25/) • Amount of biomass usage (25mt/day) • procurement amount of rubber produced by PROJECT TREE • Number of farmers participating in educational activities on pollution prevention and farm management in PROJECT TREE • Number of factories and offices with ISO 14001 certification (https://www.ptabp.co.id/business/certification) • Status of local government certification for pollution prevention (https://www.ptabp.co.id/business/certification)	• Response to the introduction and tightening of regulations on sustainability and traceability. • Introduction or modification of laws and regulations to protect the environment around rubber farm, and strengthening of reporting requirements. • Changing customer preferences for products produced and manufactured in sustainable methods with less negative impact on nature. • Actions to shift to nature-positive production methods, including the establishment of manufacturing processes with less environmental impact and the introduction of equipment to improve resource efficiency. • Stagnation in promotion of traceability assurance due to slow growth of smartphone penetration among rubber farmers. • Increased criticism from consumers and investors and decrease in brand value due to procurement of natural rubber from rural village with inadequate nature management practices. • Cancellation of certification or damage to corporate value due to poor environmental management or resulting from environmental accidents. • Lawsuits and fines from surrounding communities due to toxic pollutants by the plant and health hazards derived from disturbances.

In addition, we collect other metrics on water consumption, CO_2 emissions, etc. We also intend to consider setting measurable targets.

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

PROJECT TREE

To sustainably procure natural rubber, it is important to reduce negative impacts on both the environment and human rights. To this end, it is important to ensure that natural rubber is not produced in protected areas and that child labor is not employed in its production. However, since most natural rubber cultivation is carried out by smallholders, ensuring traceability is challenging. We have established the Natural Rubber Procurement Policy (https://www.itochu.co.jp/en/csr/pdf/natural_rubber_policy.pdf), and joined GPSNR, a new global platform for sustainable natural rubber, as the only Japanese trading company founding member.

In addition, we are focusing on PROJECT TREE, which utilizes a supply chain management system uniquely developed for our natural rubber business. This initiative leverages a traceability system we developed based on blockchain technology. Through a smartphone application, the location of each farmer's farm, transaction details of natural rubber, date and time, and location information are recorded on the blockchain and can be checked on a map. Raw materials delivered from smallholders via collectors and dealers are processed by ABP, our subsidiary, and sold to tire manufacturers as natural rubber materials with origin information. A portion of the sales from tires sponsored by PROJECT TREE is paid as a premium to the smallholders who supply raw materials, thereby contributing to improve their living standards. Furthermore, to increase the volume of natural rubber handled in this project, we are working to expand the number of participating farmers and further enhance traceability by distributing smartphones to smallholders free of charge. Additionally, as part of the project, we conduct educational activities on proper farm management and wastewater treatment, collaborating with farmers to promote sustainable agriculture.

Refer to: PROJECT TREE (https://project-tree-natural-rubber.com/)

Initiatives for Businesses with a High Dependency

ITOCHU's businesses with a high dependency on natural capital are the procurement, manufacturing, processing and distribution of forest commodities (food, timber, natural rubber, palm oil, etc.). We have established procurement policies for each product to improve the sustainability of these businesses. We strive to procure products certified by international third-parties which allow us to identify the procurement area through traceability.

Refer to: Procurement Policies by Product Type (P179)

We categorize and organize initiatives in businesses with a high dependency on natural capital into four: avoid, reduce, restore & regenerate and transform. We perform this categorization using the framework of the Mitigation Hierarchy* in the AR3T Action Framework published by the Science Based Targets Network (SBTN) in the Science-Based Targets (SBTs) for Nature.

Overview of the Mitigation Hierarchy

Avoid	Prevent negative impacts from happening in the first place; eliminate negative impacts entirely Example: Adopt sustainable alternative raw materials and packaging materials
Reduce	Minimise negative impacts that cannot be fully eliminated; Example: Reduce waste and pollutant emissions
Restore & Regenerate	• Initiate or accelerate the recovery of an ecosystem with respect to its health, integrity and sustainability, with a focus on permanent changes in state; Example: Improve the soil or plant trees in land modified during business activities • Take actions designed within existing land/ocean/freshwater uses to increase the biophysical function and/or ecological productivity of an ecosystem or its components, often with a focus on a few specific ecosystem services. Example: Protect endangered species
Transform	Transformative action, which covers the ways organizations can contribute to needed systemic change inside and outside their value chains. Example: Develop sales and manufacturing models and participate in initiatives

Organized by ITOCHU based on the Science Based Targets Network website (https://sciencebasedtargetsnetwork.org/how-it-works/act/) and TNFD Recommendations (https://tnfd.global/wp-content/uploads/2023/08/Recommendations_of_the_Taskforce_on_Nature-related_Financial_Disclosures_September_2023.pdf?v=1695118661)

* This is a tool to reduce the negative impacts from business on natural capital. It indicates the approach to predict and avoid or minimize risks to biodiversity (loss of wildlife habitats etc.) and impacts on local communities (release of pollutants which may impact health). It also shows the approach to recover as far as possible from any negative impacts which do occur

As a result of the above analysis, we have found that we are actively taking actions relating to "avoid" and "reduce" which should be given top priority under the SBTs for Nature to reduce nature-related risks. We will continue to further promote AR3T actions in the future to realize nature positivity.

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

■ **Analysis on Our Initiatives in Line with the AR3T Action Framework**

Major Category	Commodity		Specific Initiatives
Forest resources	Timber (P180)	Avoid	Achieving a handling ratio of certified or highly controlled materials of 100%
		Transform	Engaging with NPOs
	Natural rubber (P182)	Transform	Participating in GPSNR as a founding member and cooperating in formulating and operating platform standards
	Palm oil (P183)	Avoid	Achieving 100% traceability at the mill level
		Transform	Joined RSPO and promoting initiatives
	Biomass fuel (P185)	Avoid	Procuring legally accepted woody biomass fuel according to PEFC, FSC and other third-party certification
Food	Cocoa beans and coffee beans (P185)	Avoid	Enhancing traceability of cocoa beans
		Avoid	Enhance the handling of sustainable certified coffee beans
		Transform	Providing technical support to small farmers such as by giving them agricultural technology to improve productivity
	Dairy products (P186)	Reduce	Reducing ecological degradation by raising dairy cows while changing their grazing land regularly in New Zealand
	Meat (P187)	Avoid	Built a system to enable 100% trace back to the production stage for all meat suppliers
	Marine products (P188)	Avoid	Acquired distributor certification from MSC and CoC
		Transform	Encouraging fishermen about skipjack and yellowfin for which MSC certification is limited
	Fruits and vegetables*1	Reduce	Using clean energy in our Dole business
Textile raw materials	Cotton (P189)	Avoid	Acquired GOTS certification and achieving 100% traceability for our procurement of organic cotton in India
	Environmentally-friendly materials (P189)	Reduce	Launched the RENU® project with the aim of realizing a circular economy and started to develop recycled polyester
Apparel	Outdoor apparel*2	Restore & Regenerate	Planning and selling charity goods and then using some of the proceeds in the funds to purchase land for tropical rainforest restoration and the protection of Borneo elephants

*1 https://www.itochu.co.jp/en/news/press/2018/181213.html
*2 https://www.itochu.co.jp/en/csr/social/conservation/index.html#h2_05

Initiatives in Business-related Areas

ITOCHU is working with stakeholders to protect endangered wildlife.

- Mangrove Planting Project with Uken Village of Amami Oshima Island
  (https://www.itochu.co.jp/en/csr/social/conservation/index.html#h2_01)
- Collaborative Conservation Project for Rare Freshwater Fish with Shiga Prefecture and Shiga Prefectural Lake Biwa Museum
  (https://www.itochu.co.jp/en/csr/social/conservation/index.html#h2_04)
- Hunting World's Wildlife Conservation Activities
  (https://www.itochu.co.jp/en/csr/social/conservation/index.html#h2_05)
- Support of Amazon Ecosystem Conservation Program
  (https://www.itochu.co.jp/en/csr/social/amazon/index.html)
- Project for Protecting Green Turtles, an Endangered Species
  (https://www.itochu.co.jp/en/csr/social/conservation/index.html#h2_06)
- Activities to Restore the Tropical Rainforests and Conserve Borneo's Ecosystem
  (https://www.itochu.co.jp/en/csr/social/150_anniversary/borneo/index.html)

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

Metrics and Targets

ITOCHU conducts product certification and traceability for biodiversity conservation in products handled in businesses including the supply chain, and social contribution activities for biodiversity conservation in business-related areas. We consider forest resources (wood, wood products, paper raw materials and paper products, natural rubber, palm oil), dairy products, meat, marine products, and textile raw materials as important commodities for biodiversity and strive to disclose information and set goals for them.

Targets in Business Activities

Theme	Target	FYE 2025 Results	SDGs
Biodiversity Conservation Reduce the impact of ITOCHU's products and projects on biodiversity conservation across our supply chain	By 2025, conduct a follow-up ESG risk assessment for all investment projects subject to high biodiversity risk (e.g., hydropower, mines, ships), where biodiversity should be a material risk item assessed, and implement a plan for improvement if necessary.	• Revised the ESG Checklist and created a scheme to understand the status of biodiversity risk in new business investment. • Participated in the TNFD Forum and started investigating tools for analyzing risks and opportunities related to natural capital.	
Sustainable Use of Natural Resources Implement initiatives to improve the sustainable use of natural resources in order to stably produce and supply commodities related to forestry, fishing, and agriculture in the future	• Timber, Timber Products, Raw Materials for Papermaking, and Paper Products: Aim to achieve 100% coverage of our products that are either certified or confirmed to be under progressive management standards. • Palm oil: Aim to switch all palm oil procured by ITOCHU to sustainable palm oil*1 by 2030. In particular, we aim to align our procurement to the NDPE principle*2. • Coffee Beans: Aim to achieve 50% procurement of sustainable coffee beans by 2030. • Fisheries raw materials handled by ITOCHU: Increase the MSC*3 /CoC*4 certified products to 15,000 tons per year by FYE 2026.	• The handling ratio of certified or highly controlled materials is 100% for pulp & wood, and 100% for chips. • Palm oil has 100% traceability to mill level in FYE 2025. • The ratio of sustainable coffee beans in our coffee bean procurement in FYE 2025 was 32%. • The volume of MSC/CoC in fisheries raw materials in FYE 2025 was 12,500 tons.	

*1 Sustainable palm oil: palm oil supplied from supply chains compliant to RSPO and RSPO-equivalent standards
*2 NDPE (No Deforestation, No Peat, No Exploitation): zero deforestation, zero peatland development, zero exploitations
*3 MSC (The Marine Stewardship Council): an international NPO established in 1997 to work on spreading sustainable fishing.
*4 CoC (Chain of Custody Certificate): A certification for processors and distributors to ensure the traceability of MSC certified marine products and other products in the management of processing and distribution processes specified by MSC

• Refer to: Procurement Policies by Product Type (P179)

Targets in Business-related Areas

• Targets and Action Plans of Social Contribution Activities (P191)

Performance Data

Performance Data in Business Activities

• Performance Data Regarding Forest Certification and Legal Compliance, Sustainable Procurement Performance Data of Raw Materials for Papermaking (P181)
• Performance Data on Natural Rubber (P183)
• Performance Data Regarding Sustainable Palm Oil Procurement (P184)
• Performance Data on Sustainable Coffee Bean Procurement (P186)
• Performance Data on Traceability of Meat (P187)
• Performance Data Related to Certification of Marine Products (P188)
• Performance Data on Organic Cotton Procurement (P189)

Performance Data on Business-related Areas

• Collaborative Conservation Project for Rare Freshwater Fish Ayumodoki (P193)
• Project for Protecting Green Turtles, an Endangered Species (P193)
• Amazonian Manatee Reintroduction Project
(https://www.itochu.co.jp/en/csr/social/amazon/index.html#table01)

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

Action Plan

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Textile Company								
Ensure Stable Procurement and Supply		Prevention of Pollution and Circulating Society	Reducing our environmental burden by circulating society	Textile products in general	We will contribute to realize a Circulating Society through our sustainable textile products and recycling of them.	Promote sustainable products and projects leading to the recycling of resources.	Promote the sustainable products such as “RENU”, a recycled polyester derived from textile, and set up schemes to recycle textile products.	• The environmental impact of handling recycled polyester through the RENU project is as follows (estimated for FYE 2025). Waste volume to be made into “RENU”: equivalent to 6.2 million T-shirts, CO_2 reduction: 1,906 tons, Water usage reduction: 6,416 kiloliters. • Approximately 4,300 collection points for “Wear to Fashion”, the clothing recycling service (as of March 2025). • We are currently operating a joint project called the “ARChemia Project”, which involves textiles and chemicals, and transforms used clothing into chemical products with high environmental added value. To date, more than 10 companies have adopted this project, and we are continuing to promote its expansion.
Metals & Minerals Company								
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		• Mining • Electric Power・Mining・Oil and Gas Fields	Sustainable mine development that pays continuous careful attention to the risks in occupational safety and health and environmental risks, and that contributes to local communities’ well-being	Mining business	• We will promote sustainable development of natural resources by fully committing to EHS (environment, health, occupational safety) and harmonious coexistence with local communities in areas which our mines operate. • We will improve local infrastructure such as medical care and education.	• Ensure the thorough application of the EHS guidelines and employee education. • Contribute to local communities through activities for improving medical care, education and infrastructure.	• Implementation of annual internal seminars to ensure our employees are fully aware of the EHS guidelines. • EHS seminar attendance rate: 100%. • Rate of checks implemented on EHS compliance in existing and operating projects to be possessed in long term and new mining business: 100%. • Donations to medical care and education, and building infrastructure in local communities. • Carry out CSR activities in all existing and operating projects to be possessed in long term (100%).	• We held internal EHS (environment, health and occupational safety) guidelines training courses for supervisors and staffs engaged in mining projects. The attendance rate of the training was achieved 100%. • We checked the proper compliance to the EHS guidelines for one new project, nine existing projects, and one another resource-related project. • We carried out social activities at the communities where our projects are located.
Food Company								
Address Climate Change (Contribute to a Decarbonized Society)		GHG Emissions	Taking countermeasures against climate change	Fresh food field	We will examine and promote measures that contribute to tackling climate change.	Dole will utilize green energy in our processed food business.	• Residue input volume to the Dole Philippines biogas plant. • GHG reduction amount by introduction of clean energy.	**Result in FYE 2025** • Utilization of processed pineapple residue: 128,984 tons. Due to decrease of pineapple production, utilization quantity was less than last fiscal year. • GHG reduction from Renewable Energy installation: 126,786t CO_2e Thanks to the utilization of biomass*1, GHG reduction quantity got more than last fiscal year. *1 We utilize rice hull for the boiler as the alternative energy source of diesel.
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		Supply Chain	Establishing a supply chain reflecting consideration for human rights and the environment	Provisions field	We will develop a procurement structure compliant with third-party body certification and supplier-specific codes of conduct.	• We will promote procurement compliant with supplier-specific codes of conduct in coffee bean and cacao bean producing countries. • We will strengthen the handling of oil certified by the RSPO - a third-party certification organization for palm oil. • We will support the establishment of a promotion and distribution system in Japan for MSPO/ISPO in cooperation with domestic industrial associations. The aim of this is to encourage the use of certified oil systems in producing countries.	• Coffee beans: Promotion of procurement of products compliant with supplier-specific codes of conduct or certified products based on our procurement policy. • Cacao beans: Promotion of procurement of products compliant with supplier-specific codes of conduct (sustainable products) based on our procurement policy. • Palm oil: Procurement of palm oil based on our procurement policy. Promotion of the disclosure of the set KPI indicators and supplier information. **2030** • Coffee beans: Aim for a 50% switch to sustainable coffee beans. • Cacao beans: Aim for a 100% switch to sustainable coffee beans. • Aim for a 100% switch to sustainable palm oil.	• Coffee beans: procurement ratio of FYE 2025:32% The coffee market has reached an all-time high, leading various client companies to reduce the usage ratio of certified raw materials for cost-cutting purposes. Although the handling ratio decreased compared to the previous year, the target value (over 30%) was achieved. • Cacao beans (traceable products): procuremen ratio of FYE 2025: 65% (4,984 tons of traceable beans out of 7,728 tons total.) • Palm oil: Check supplier’s sustainable palm oil sourcing policies through regular surveys, and continue purchasing based on our procurement policies. At the same time, we continue to publicize the ratio of RSPO certified Palm Oils and Traceable To Mill etc. • Ratio of RSPO Certified Palm Products/Oleo chemicals of FYE 2025 • Palm Oils 36% • Oleo Chemical Products 69% **Support Achievements to Each Producing Country (Qualitative)** • Coffee Beans:Next Generation Support/Ethiopia To contribute to the improvement of sanitary and educational standards in Ethiopia, the toilets at schools are constructed and the educational materials to preserve the history and culture of coffee are provided in the coffee bean production areas of Ethiopia.

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

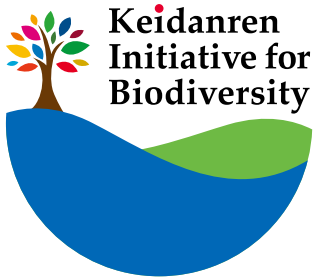
Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Food Company								
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		Supply Chain	Responsible Fisheries Procurement	Fresh food field	We will develop a procurement structure compliant with third-party body certification and supplier-specific codes of conduct.	Promote procurement in accordance with the supplier's own code of conduct in the country of origin of the tuna.	Develop a tuna procurement policy and promote procurement of products and certified products that comply with the policy.	• One vessel was added to existing MSC fisheries certification in February 2025. • In FYE 2025, we handled 12,500 tons of MSC certified tuna in total. (Around 6% volume in total) (Reference) We have acquired the MSC fisheries certification for six fishing vessels as of July 2022, and MSC fisheries certification for an additional 19 fishing vessels in June 2023.
General Products & Realty Company								
• Address Climate Change (Contribute to a Decarbonized Society) • Ensure Stable Procurement and Supply		Forest	Using sustainable forest resources	• Pulp • Woodchips • Wood products & materials	We deal in sustainable forest resources to reduce the impact on the environment and prevent the increase of greenhouse gases.	Handle certified lumber or lumber for which a high level of control can be verified.	Ensure a 100% handling ratio of certified or high-level management confirmed materials.	In FYE 2025, 100% of our Pulp, Woodchips and Wood Products & Materials transactions were handled as certified material or were intensively managed.
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		• Forest • Supply Chain	Realization of sustainable supply of natural rubber	Natural Rubber	• We will endeavor to establish measures to identify and avoid procuring rubber from any suppliers who dispossess indigenous people and develop High Conservation Value (HCV) areas, High Carbon Stock (HCS) areas and peatland. • We support or offer a training to improve yields and quality for natural rubber producers, especially smallholders. We also offer a risk-assessment education that includes modern slavery issue.	• We will establish a traceability system to make uncertain raw material procurement supply chain transparent. • We will achieve our commitment through the sustainability activity of our unique initiative "PROJECT TREE (https://project-tree-natural-rubber.com/)."	• We aim to procure raw materials with traceability and sustainability ensured in our natural rubber processing business. (Aiming to achieve 100% traceability for the natural rubber raw materials which we procure by 2025 through an original block chain-based traceability system.) • We will increase the number of smallholders implementing sustainability training and education, and contribute to achieving sustainability in the natural rubber industry.	• Traceability of the natural rubber raw materials' procurement reported by suppliers reached 100%. • Traceability of the natural rubber raw materials' procurement using our system reached 24% of the monthly purchasing volume up to the smallholders. • 11,991 of smallholders implemented sustainability training and education. * Based on the performance from January to December 2024.

Natural Capital and Biodiversity (Information Disclosure Based on the TNFD Recommendations)

Collaboration with Outside Initiatives

Initiative Participation (Activities Through Business and Industry Groups)

ITOCHU participates in the Japan Business Federation (Keidanren). We support nature conservation projects in developing areas mainly in the Asia-Pacific region and in Japan through the Keidanren Committee on Nature Conservation that was established in 1992 when the United Nations Conference on Environment and Development (Earth Summit) was held in Rio de Janeiro in Brazil. The Keidanren Committee on Nature Conservation has been working to build an environment in which the business community strives to conserve nature. This has included exchanges with NGOs, the holding of seminars and symposiums, and the announcement of the Declaration of Nature Conservation by Keidanren, the Declaration of Biodiversity by Keidanren and the action guidelines for them (revised in October 2018). In addition, we have declared our approval of the Keidanren Initiative for Biodiversity Conservation announced on June 11, 2020. We are also participating in the TNFD Forum, which was established in September 2021, to accelerate discussions in the TNFD. In October 2024, ITOCHU registered as TNFD Adopters, declaring our intent to disclose information based on TNFD recommendations.



Cooperation with External Organizations

It is especially important for the entire value chain to work together to realize sustainable business activities for businesses with a high dependency on natural capital such as forest commodities (food, timber, natural rubber, palm oil, etc.).

ITOCHU joined in the Roundtable on Sustainable Palm Oil (RSPO) in 2006. We have set a target of handling only RSPO certified palm oil or palm oil equivalent to that by 2030. We are working on the procurement and supply of sustainable palm oil through cooperation and collaboration with other member companies. We are also participating in the Sustainable Palm Oil Transparency Toolkit (SPOTT). This is a project by the Zoological Society of London (ZSL) that assesses major palm oil related companies in terms of more than 50 indicators based on data released to the public. We disclose information to stakeholders relating to the palm oil industry through two-way communication.

In addition, we also joined as a founding member in the GPSNR. We have agreed to the 12 principles stipulated by this platform about natural rubber and comply with the applicable policy components.

Initiatives related to forest commodities are also disclosed in the form of responses to CDP questionnaires, a global corporate disclosure system for companies and organizations.

We have also joined the Organization for the Promotion of Responsible Tuna Fisheries (OPRT) established for the sustainable use of tuna resources in 2012 in our skipjack and yellowfin business. We are promoting initiatives that comply with OPRT's voluntary management regulations.

Through cooperation with external organizations as described above, we aim to achieve the goals set forth in the "Metrics and Targets" (P97) section.

- Roundtable on Sustainable Palm Oil (RSPO)
  - Refer to: Initiative Participation (P42)
- Global Platform for Sustainable Natural Rubber (GPSNR)
  - Refer to: Commitment to the Global Platform for Sustainable Natural Rubber (GPSNR) (https://www.itochu.co.jp/en/csr/pdf/natural_rubber_policy.pdf)
- CDP
  - Refer to: CDP Climate Change, Water Security and Forests (P41)
- Organization for the Promotion of Responsible Tuna Fisheries (OPRT)
  - Refer to: Sustainable Procurement: Policies and Initiatives by Product Type (P188)
- International Seafood Sustainability Foundation (ISSF)
  - Refer to: Sustainable Procurement: Policies and Initiatives by Product Type (P188)

Clean-tech Business

Basic Policy and Strategy

ITOCHU Corporation has established enhancing contribution and engagement with the SDGs including climate change as one of our basic policies in our Brand-new Deal 2023 medium-term management plan. This basic policy is carried over to the Management Policy "The Brand-new Deal" formulated in 2024. We aim to achieve "Offset Zero", where the amount of avoided emissions generated by our clean-tech business exceeds our GHG emissions by 2040. This target is 10 years ahead of the Japanese government's target. We will achieve this by being the first in the industry to realize a decarbonized society. Furthermore, "The Brand-new Deal" identifies one of the pillars of our strategy to sustainably enhance corporate value as "Grow Earnings - No Growth without Investment," and we aim to expand our business areas.

Climate change and other environmental risks are also clean-tech business opportunities at the same time. We will adopt cutting-edge technologies from a medium- to long-term perspective. We will also take the lead in promoting concrete measures which are expected to lead to sustainable growth in the future and which will contribute to a transformation in social structure toward a decarbonized and circulating society. As a general trading company, our policy is to pursue environmental and economic value at the same time by leveraging our broad value chain and making diversified business investments to increase the overall profitability of our projects. Therefore, we apply the same rigorous investment criteria to the clean-tech business as to other businesses.

We also monitor trends of the amount of avoided emissions from the clean-tech business and the external environment that affects this amount, and review our operation according to the progress of each business and market conditions.

Targets (Transition Plans)

We aim to achieve offset zero* for our greenhouse gas (GHG) emissions by 2040 by proactively promoting business that contributes to a reduction in the amount of GHG emissions (such as clean-tech business).

* Offset zero: When the amount of GHG emissions we contribute to reducing exceeds our GHG emissions

Individual Targets for Each Business Segment

Business Segment	Individual Targets
Renewable Energy	● Increase the ratio of renewable energy capacity within our power generation portfolio to over 20% by FYE 2031. ● Invested in renewable energy generation of approximately 2,500 MW such as in Cotton Plains (wind and solar power), Prairie Switch, Texas in the U.S. (wind power) and in Sarulla in Indonesia (geothermal power). ● Developing over 40 solar power plants, totaling 6,800 MW as of March 2025, including projects that have been sold.
Fuel Ammonia	● Establish a value chain of fuel ammonia through integrated development including development, ownership and operation of ammonia-fueled ships, development of fuel supply bases, and procurement of fuel ammonia. ● For the ambition to reach net zero GHG emissions from international shipping by or around 2050, contribute to the decarbonization of international shipping by promoting the spread of ammonia-fueled ships and their social implementation.
Energy Storage Systems (ESS)	● Aim for a cumulative energy storage of over 2 GWh by FYE 2031.
Water Infrastructure	● Expand our achievements in Europe and Australia to other regions. Continue to build up excellent assets.
Waste Management Project	● Expand our achievements in Europe to the Middle East and other regions in Asia. Continue to build up excellent assets. ● In 2024, commenced commercial operation of Belgrade Waste Management Public-Private Partnership Project, Republic of Serbia, as well as the world's largest energy-from-waste (EfW) project in Dubai.



Renewable energy ratio

18.7% (FYE 2025) → over 20% by FYE 2031



Cumulative energy storage system capacity

over 2 GWh by FYE 2031

Clean-tech Business

Initiatives

Top Management Involvement: Decarbonization and Carbon Neutral Task Force

ITOCHU stated a strong commitment to being the first in the industry to realize a decarbonized society by enhancing contribution and engagement with the SDGs in our previous medium-term management plan, Brand-new Deal 2023, and carried it forward into the current Management Policies formulated in April 2024, which serve as a medium to long term compass. At ITOCHU, we launched a decarbonization and carbon neutral task force across companies under the control of President & Chief Operating Officer in April 2021. This task force reports on the details of progress made on initiatives in each Company, in principle, every month. Its field is not limited to hydrogen and ammonia projects; it also discusses other decarbonization projects (such as emissions trading and Carbon dioxide Capture, Utilization and Storage (CCUS)) which will contribute to a reduction in GHG emissions and whose market is expected to grow.

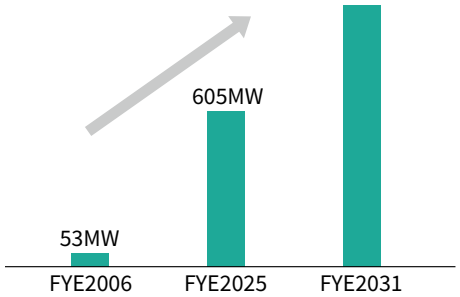
Introduction to Individual Businesses

1. Renewable Energy (P102)
2. Fuel Ammonia (P106)
3. Hydrogen Related Business (P107)
4. Energy Storage Systems (ESS) (P109)
5. Water Infrastructure (P110)
6. Waste Management Project (P111)
7. Low-carbon Iron Supply Chain (P111)
8. CCUS/Carbon Fixation (P112)
9. Green Buildings (P113)
10. Collaboration with Outside Initiatives (P113)

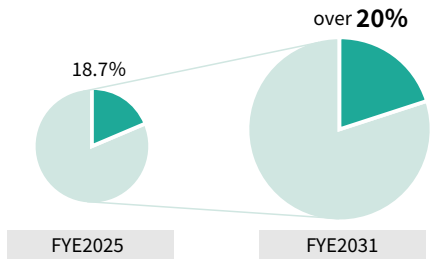
1. Renewable Energy

ITOCHU globally enhances carbon neutral related businesses such as renewable power, hydrogen and ammonia. We aim to make profit growth not only by focusing on investments, but also by providing multi-angled functions such as engineering, operation and maintenance, etc.

■ **Renewable Energy Generation (Equity Interest Basis)**



■ **Target for Renewable Energy Ratio of Total Generation (Equity Interest Basis)**



■ **Breakdown of ITOCHU's Total Generation and Breakdown Target for FYE 2031**

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2025	FYE 2031 (Target)
	Generation Capacity on Equity Interest Basis (MW)	Generation Capacity on Equity Interest Basis (MW)	Generation Capacity on Equity Interest Basis (MW)	Generation Capacity on Equity Interest Basis (MW)	Generation Capacity on Equity Interest Basis (MW)	Ratio (%)	Ratio (%)
Wind	179	122	164	196	240	18.7%	20%<
Solar/PV Power	80	112	132	164	225		
Geothermal	83	83	83	83	83		
Biomass	33	57	57	57	57		
Renewable Energy (Total)	**375**	**373**	**436**	**500**	**605**		
Natural Gas	1,258	1,258	1,258	1,466	1,666	81.3%	80%>
Oil-fired Power	315	315	315	315	315		
Coal-fired Power	640	640	640	640	640		
Thermal Power (Total)	**2,213**	**2,213**	**2,213**	**2,421**	**2,621**		
Grand Total	**2,588**	**2,586**	**2,648**	**2,921**	**3,226**	100%	100%

For a list of our renewable energy-related businesses please visit here (P114).
We have announced a policy not to develop any new coal-fired power generation business*.

* Policy statement regarding our involvement in coal-fired power generation business (https://www.itochu.co.jp/en/csr/news/2019/190214.html)

Clean-tech Business

Renewable Energy Highlights

Wind Power

ITOCHU has continued to invested in wind power generation (onshore and offshore) from the late 1990s. Currently, ITOCHU has interests in seven power plants in Japan, the United States, and Germany.

Offshore Wind Farm in Europe and the United States

In response to the renewable market growth in Europe, ITOCHU jointly own an offshore wind generation project (288 MW) located on the German North Sea coast with the CITIC group with whom we establish a strategic alliance. The wind farm supplies power to approximately 370,000 standard German households, contributing to the transition to a decarbonized society.



The Butendiek offshore wind farm

We established a fund in 2023 targeting renewable energy assets in North America. Through this fund, we invested in the first project, the Grandview Wind Power Plant (211 MW), in February 2024. We will continue to solicit investors and plans to conduct a renewable energy project worth approximately US 2 billion dollars through this fund. (Signed an investment agreement for the second investment project (new solar and battery storage assets) in September 2024.)

Aomori Mutsu Ogawara Onshore Wind Farm

ITOCHU is under construction of an onshore wind farm (maximum output capacity: 64.5 MW) in a suitable site with favorable wind conditions in Rokkasho-mura, Kamikita-gun in Aomori Prefecture as a joint project with Kanadevia Corporation and our associated company, Tokyo Century Corporation. We are aiming to start operation in April 2026. We expect this wind farm to generate approximately 166 million kWh of power a year. That is equivalent to the annual power consumption of approximately 46,000 ordinary Japanese households.

Utility Scale Solar Projects

Following on the start of the commercial operation of a mega-solar power plant in Ehime Prefecture in 2015, ITOCHU started operating mega-solar power plants in Oita Prefecture in 2016, Okayama Prefecture in 2017 and Saga Prefecture in 2018. This means we now operate four mega-solar power plants in Japan (total power generation output: approximately 130 MW). The knowledge and experience we have gained through operating these power plants is contributing to the expansion of our renewable energy business. We will continue to operate these power plants stably.



Oita-Hiyoshibaru solar power plant

Distributed Solar Power Supply Business

ITOCHU operates one of the largest on-site distributed power plants in Japan mainly involving the roofs of supermarkets and logistics facilities through our capital and business alliance partner of i GRID SOLUTIONS, Inc. (i GRID). i GRID is involved in the on-site solar power generation business. The company installs self-consumption solar power generation systems at zero initial investment by customers. It then directly supplies power at low cost to facilities over a long period of time. Furthermore, in addition to solar power generation, it integrates and controls distributed power supplies such as storage batteries and electric vehicles with a supply and demand adjustment platform using AI. This allows it to offer solutions for the realization of green transformation in regions centered on customer facilities.



On-site distributed power supply operated by i GRID SOLUTIONS

Clean-tech Business

Furthermore, we have entered into a capital and business alliance with Clean Energy Connect Co., Ltd. (CEC) for initiatives to contribute to clean energy by effectively utilizing land in Japan. We have been jointly promoting this business since 2021. CEC is involved in the off-site solar power business. The company develops and owns multiple small and medium-sized solar power plants by utilizing idle land in Japan. It then bundles together green power to supply electricity and environmental value over the long-term to customers such as office buildings in the center of cities, contributing to their decarbonization and RE100 targets. By FYE 2025, we have introduced solar power plants with “additionality” at approximately 2,000 locations in Japan. These solar power plants are widely distributed across 293 municipalities in 24 prefectures nationwide, aiming to stabilize power generation fluctuations due to weather and mitigate risks such as disasters through a diversified power plant portfolio. The total power generation is expected to be 188 million kWh per year, with CO_2 reductions amounting to 79,000 tons of CO_2 annually.



Off-site distributed power supply operated by Clean Energy Connect

Solar Panel Recycling Business

ITOCHU undertook a capital increase through a third-party allotment from ROSI SAS. – a French company engaged in the reuse and develops and owns advanced solar panel recycling technologies, and ITOCHU has entered into these alliances with the aim of promoting and expanding the solar panel recycling business.

In recent years, there is widespread global concern that mass disposal of solar panels that have reached the end of the product lives will occur in the near future. Establishing an appropriate recycling chain for these waste solar panels represents a major challenge for the future, in order to introduce sustainable renewable energy solutions for creating a decarbonized society.

We will contribute to the establishment of a recycling chain for solar panels by combining solar power generation-related business know-how and networks developed by us so far with ROSI’s advanced and highly economical recycling technologies.

Geothermal Power

ITOCHU participates in Sarulla Geothermal Power Project in Indonesia, which is one of the largest size in geothermal sector. The project entered into construction phase after signing a 30-year power purchase agreement with Indonesia’s state-owned electricity company in 2013. The first and second units were completed and commenced commercial operation in 2017, followed by the third unit in 2018. Indonesia is actively promoting renewable energy, and geothermal is positioned as an important part of it. Among renewable energy, geothermal energy is able to provide stable power supply to the electricity grid through a whole day, not dependent on the natural conditions such as wind or sunlight. ITOCHU is proceeding with decarbonization through stable power supply in line with energy mixes and policies of each country or area.

Biomass Power

The Ichihara Biomass Power Plant (power generation output: 49.9 MW) in which ITOCHU is participating started commercial operation in December 2020. We expect this power plant to generate approximately 350 million kWh of power a year. That is equivalent to the annual power consumption of approximately 120,000 ordinary Japanese households. In addition, Hyuga Biomass Power Plant (power generation output: 50 MW) in which ITOCHU participates has begun commercial operation in Hyuga in Miyazaki Prefecture in October 2024. Additionally, in Tahara in Aichi Prefecture, a biomass power plant (power generation output: 50 MW) is under construction and scheduled to start operation in FYE 2026.



Exterior of Ichihara Biomass Power Plant

Clean-tech Business

Biomass Fuel and Renewable Fuel Related Business

Sustainable Aviation Fuel (SAF)

ITOCHU is working to increase the ratio of renewable energy through the supply of biomass fuels to power generation companies in Japan. We are also working to expand procurement and supply of renewable fuels for the decarbonization of the mobility market, including airplanes and automobiles.

For example, in response to the accelerated decarbonization of the airline industry, we were the first company in Japan to begin selling Sustainable Aviation Fuel (SAF) to airline companies. We are also the first Japanese trading company to obtain ISCC CORSIA certification, which was developed to reduce GHG emissions in the airline industry. This is a certification that proves we are able to supply SAF which meets the carbon offset requirements of CORSIA. We deliver the renewable fuels made from non-fossil-derived raw materials, contributing to a significant reduction in GHG emissions compared to conventional petroleum-derived fuels.

In May 2023, ITOCHU has signed a trademark licensing agreement and a collaboration agreement for brand enhancement with Neste OYJ, the world's largest renewable fuel manufacturer. The purpose of these agreements is to expand the distribution of their renewable diesel, 'Neste MY Renewable Diesel,' within Japan.



Image of an aircraft flying using SAF
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Refueling SAF



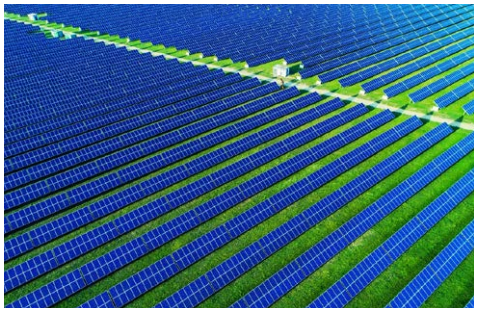
Sample Bottle of Neste My Renewable Diesel
Copyright: Neste MY Renewable Diesel

Operation and Maintenance for Renewable Power in North America

ITOCHU provides operation and maintenance service as well as asset management for solar, battery storage and wind generation (totaling 3,000 MW) in the US principally through our subsidiary NAES Corporation. It serves approximately as many as 1,400 sites throughout the US utilizing its remote monitoring system.

Renewable Power Developments in North America

Tyr Energy Development Renewables, LLC (TED), dedicated in greenfield renewable energy development in the United States, was established in 2022 and is currently developing renewable energy projects of approximately 5,000 MW. TED has full suite function of greenfield development including land acquisition, permitting, interconnection process, PPA origination, engineering and finance. The U.S. renewable energy market is expected to grow significantly over the next 20 years. To capture the growth, we continue to enhance the development activities.



Utility scale solar projects developed in USA

Clean-tech Business

2. Fuel Ammonia

With international momentum towards the transition to a decarbonized society, the International Maritime Organization (IMO) has set a GHG emissions reduction strategy of 40% efficiency improvement from 2008 levels by 2030, 50% total volume reduction from 2008 levels by 2050. In 2023, the strategy was revised to the ambition to reach net zero of GHG emissions (zero emissions) by or around 2050. In order to achieve these goals, early development and social implementation of zero-emission ships are expected, and ammonia is attracting attention in various fields as a candidate alternative fuel. In addition, a stable supply of ammonia fuel for marine use and the development of supply bases are indispensable elements for the concrete development of ships that use ammonia as their main fuel.

Development of Ammonia Fuel Ship

ITOCHU has agreed with Nihon Shipyard Co., Ltd., Mitsui E&S Machinery Co., Ltd. (Currently, Mitsui E&S Co., Ltd.), ClassNK, ITOCHU ENEX Co. Ltd., and MAN Energy Solutions (MAN) on jointly developing commercial ships equipped with a main engine that uses ammonia as its main fuel, which is under development by MAN.

In October 2021, we applied for “the Green Innovation Fund Project / Development Project for Next-Generation Ships / Development of an Ammonia Fueled Ship Project” publicly offered by the New Energy and Industrial Technology Development Organization (NEDO), together with four other companies, including Kawasaki Kisen Kaisha, Ltd., NS United Kaiun Kaisha, Ltd., Nihon Shipyard Co., Ltd. and Mitsui E&S Machinery Co., Ltd. (Currently, Mitsui E&S Co., Ltd.), and successfully selected. In November 2022, ITOCHU and the said four companies obtained Approval in Principle for the basic design of an ammonia-fueled ship (200,000 deadweight ton type bulk carrier). This project aims to take the lead in the development of propulsion systems and hulls, as well as the ownership and operation of ammonia-fueled ships, as early as possible before 2028.

Development of Supply Chain of Ammonia Bunkering

ITOCHU has been promoting the development of ammonia fuel supply all over the world. In Singapore, we were selected as one of the bunkering players by the Maritime and Port Authority of Singapore in July 2024. For the joint development of an ammonia bunkering, we have signed in 2023 a Memorandum of Understanding (MOU) with Peninsula Petroleum in Spain and also an MOU with Orascom Construction PLC in the Suez Canal. We will be further accelerating the development of a safe fuel supply system and the development of ammonia bunkering vessels.

Since June 2021, ITOCHU has continued to examine and verify common issues related to the use of ammonia as marine fuel through the “Joint Study” a framework established with 34 companies and organizations to promote the use of ammonia as marine fuel. In April 2022, we launched the “Joint Study Framework for Ammonia Bunkering Safety” with 16 companies and organizations as a framework to share issues and knowledge on safety and guidelines for ammonia bunkering among related parties, and are expanding the activities. As a successive phase of these activities, we have executed an MOU for the Joint Study of Ammonia Bunkering Safety for an Ammonia-fueled Container Carrier among eight companies and organizations in September 2023. All three Joint Study frameworks were concluded at the end of March 2024 and ITOCHU has transitioned to working on individual projects.

Each of the above joint developments and frameworks is positioned as part of an “Integrated Project” of ITOCHU and partner companies that includes not only the development of ammonia fuel ships and the establishment of an ammonia fuel supply base in Singapore, but also the ownership and operation of these ships, the procurement of ammonia fuel for marine use, and the establishment of a global supply chain. We will work with domestic and overseas companies and relevant ministries and agencies to contribute to the reduction of GHG emissions from international shipping.

Project to Manufacture and Sell Clean Ammonia in Canada, Aiming to Realize a Decarbonized Society

ITOCHU and Gentari Hydrogen Sdn. Bhd., Petroliam Nasional Berhad group, a Malaysian national oil company, have been conducting detailed studies of a project to manufacture and sell clean ammonia in Alberta, Canada.

ITOCHU will pursue the creation of a decarbonized society by establishing manufacturing sites and a supply chain for clean ammonia, which is expected to reduce GHG emissions from conventional fossil fuel derived ammonia.



Aerial view of potential project site in Alberta, Canada

Clean-tech Business

3. Hydrogen Related Business

In December 2020, Japan announced the "Green Growth Strategy Towards 2050 Carbon Neutrality," and as part of that strategy, hydrogen is expected to contribute to the decarbonization of various fields as a key technology for carbon neutrality with promising applications across a wide range of fields, such as power generation, industrial usage, transportation, etc.

In light of this major trend, ITOCHU's wide-ranging networks focused on consumer-related sectors will be used to demonstrate the comprehensive capabilities of the ITOCHU Group and promote the development of the hydrogen market.

Strategic Collaboration to Build a Hydrogen Value Chain

ITOCHU, Air Liquide Japan G.K. and ITOCHU ENEX Co., Ltd. will jointly examine hydrogen production/supply and hydrogen station business focused on major metropolitan areas in Japan. The aim of this is to cultivate the hydrogen market for mobility and industry.

Starting with the Hydrogen Refueling Station (HRS) in Motomiya-city, Fukushima Prefecture, which had started operation in May 2024 as Japan's first HRS, we will continue to find out more HRS opportunities with similar concept that are expected to be rolled out along with highway and to attract usage of larger scale fuel cell commercial vehicles.



Motomiya Interchange Hydrogen Station

We will demonstrate our comprehensive strengths as a Group by making full use of our extensive network focused on the consumer goods industry field to contribute to the growth of the hydrogen market.

Business Model Development of a Local Hydrogen Production for Local Consumption

ITOCHU is considering the joint operationalization research on a hydrogen business based on "the local production for local consumption model" in northern Kyushu with our important customers of Nippon Coke & Engineering Company, Limited (Nippon Coke) and Compagnie Maritime Belge B.V. (CMB). We have been supplying raw materials to Nippon Coke, and also has a lot of newly built ship business with CMB which is the largest maritime group in Belgium, both for many years.

Featuring both the hydrogen derived from waste plastic of Nippon Coke and the hydrogen engine of CMB, this project aims to create and expand both supply of and demand for hydrogen, with the goal of realizing actually operating hydrogen supply chains based on "the local production for local consumption model". Furthermore, by actively deploying this business model in other regions as well, ITOCHU will realize the social implementation of hydrogen on a global scale at the possible earliest time, for enhancing our contribution to and engagement with the SDGs.



Straddle carrier with hydrogen engine



Tugboat with hydrogen engine



Offshore wind support vessel with hydrogen engine



Hydrogen-powered cruise ship operated in Japan

Clean-tech Business

Green Hydrogen Production Project with Everfuel of Denmark

In December 2023, ITOCHU and a subsidiary of Osaka Gas Co., Ltd. have entered into a joint agreement to acquire shares of Everfuel A/S, which promotes the establishment of a green hydrogen value chain. The company is engaged in the EPC and operation of green hydrogen production facilities, transportation equipment, and hydrogen stations using water electrolysis equipment. The company is also promoting the construction of a green hydrogen value chain for local production and consumption by selling hydrogen to the industrial and mobility sectors through the use of its own hydrogen stations. The world's largest hydrogen production and distribution plant (20 MW electrolyzer scale) has started commercial operation in February 2025 as the company's first hydrogen production project.

ITOCHU aims to horizontally expand the local hydrogen production and consumption business to Europe and other regions and to enter into the business of producing hydrogen-derived products by utilizing the knowledge and expertise gained through this project, while contributing to the realization of a decarbonized society.

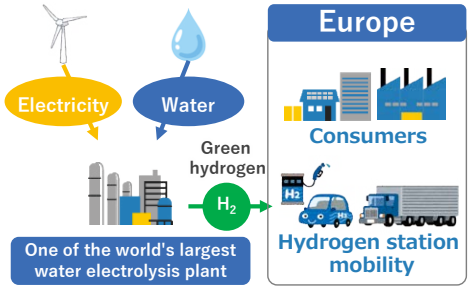


Diagram of the flow of green hydrogen delivered to consumers


Inside the plant

Investment in ZeroAvia, Distribution Agreement in Asia, and Strategic Partnership for Hydrogen Infrastructure Development and Maintenance System Establishment

In 2024, ITOCHU has invested in ZeroAvia, Inc., a US-based company engaged in the development and manufacturing of hydrogen-electric engines for aircraft. Additionally, we have signed a representative agreement for Asia and a Memorandum of Understanding with ZeroAvia to jointly promote the establishment of maintenance systems, airport infrastructure, and hydrogen infrastructure, with the goal of achieving decarbonization in the aviation sector. ZeroAvia is developing hydrogen-electric engines with extremely low environmental impact. In 2023, the company successfully conducted a demonstration flight using its engine installed on a 19 seat Dornier 228 aircraft. The company aims to obtain engine certification for 9 to 19 seat aircraft by 2026, 40 to 80 seat aircraft by 2028, and eventually for 200 seat aircraft in the future. Compared to conventional jet fuel engines, hydrogen-electric engines can reduce GHG emissions by more than 90%. Additionally, they have fewer components and are expected to reduce operating costs by approximately 40% compared to traditional jet engines. Collaborating with aircraft manufacturers, energy companies, and airport operators, the company has already secured pre-orders for over 2,000 engines.

To support the commercialization of ZeroAvia's hydrogen-electric engines, which contribute to decarbonization in the aviation industry, ITOCHU will collaborate with hydrogen infrastructure partners and airlines both domestically and internationally. Through these efforts, we aim to contribute to the realization of sustainable local communities and the reduction of environmental impact on a global scale.



Demonstration flight with ZeroAvia's hydrogen-electric engines installed on a 19 seat Dornier 228 aircraft


Efforts toward obtaining certification for engines capable of installation on future 40 to 80 seat aircraft

Clean-tech Business

4. Energy Storage Systems (ESS)

ITOCHU aims to promote decarbonization and reduce environmental footprint by selling energy storage systems (ESS) that enhance and optimize the sustainable supply of renewable energy. As a demonstration of our commitment, we have set a clear sales target for ESS of 20 billion JPY per year and a cumulative energy storage around 2GWh by FYE 2031.

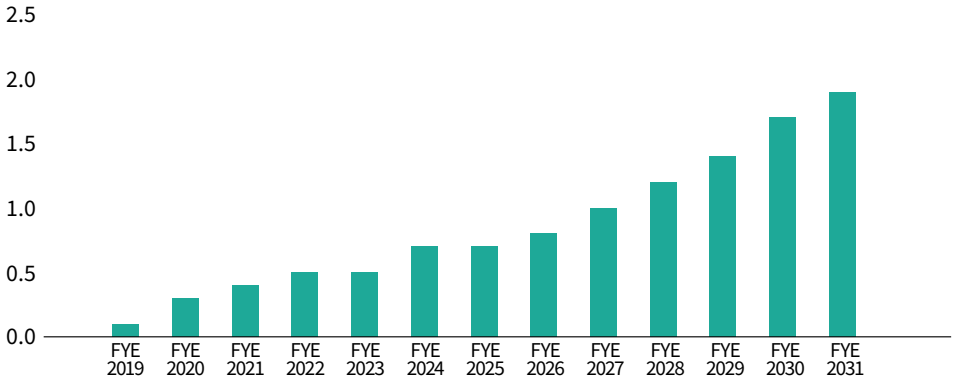
Moving forward, ITOCHU will strengthen our global battery procurement including reusable batteries and dealer network, in order to accelerate the development of energy storage systems for households and industries, and the development of systems for utility scale energy storage that connect renewable energy businesses and consumers for contribution to the decarbonization of each business. We will look to develop AI-equipped energy storage systems and to then launch them onto the market, and will develop businesses that provide solutions tailored to local markets (especially, we assume, the USA and Australian markets which are expected to grow in the future) with capital and business alliance partners overseas. Moreover, we will accelerate efforts to recycle waste batteries generated by electric vehicles (EVs) or energy storage systems and efforts relating to the traceability of those. This will allow us to develop our recycling-orientated business and to contribute to a further improvement in corporate value.

Sales and Cumulative Energy Capacity of Our ESS Products

In cooperation with business partner, ITOCHU developed Smart Star ESS series, which have been sold for approximately 60,000 units as of January 2025.

We have also begun to build up a track record of installations of Bluestorage, an energy storage system for C&I and grid use, centered on the utility scale energy storage project being promoted by the Japanese government and the Tokyo Metropolitan Government to realize a decarbonized society.

■ **Cumulative Capacity of ESS Units Sold (GWh)**



Other Initiatives

The Sale of Next-generation Residential ESS Products Using AI Technology

ITOCHU has entered into a capital and business alliance with Moixa Energy Holdings Ltd. in the United Kingdom, which develops “GridShare,” software for optimal charge/discharge control of power storage systems.

By incorporating GridShare into the Smart Star series, in addition to the original features that demonstrate its strengths during power outages, AI analyzes and learns weather forecasts, user power demand and power generation forecasts, etc., and performs optimal charge and discharge control of the storage system. This enables efficient operation of solar power generation and power storage systems.

In addition, “Smart Star 3”, which went on sale in May 2021, is equipped with the world’s first environmental value point conversion and EV charging function through a home power storage system.

Official website of Smart Star Series: https://www.smartstar.jp/ (Japanese only)



External view of the Smart Star L


External view of the Smart Star 3

Demand Response Using GridShare

Through Gridshare Japan Co., Ltd., in which ITOCHU has a capital participation, users who provide optimal remote-control services are bundled together and demand response is implemented to adjust control according to the power supply and demand situation. In FYE 2023, a maximum of approximately 17,000 units and approximately 51 MW/167 MWh of participants were solicited. Even if each power storage system is small, it is integrated and controlled as if it were a single large power storage system and functioned as a virtual power plant (VPP). This initiative is expected to spread renewable energy, respond to the tight supply and demand of electricity, and contribute to the earnings of retail electricity companies, and we will continue to promote it in the future.

Clean-tech Business

Equity Participation in TRENDE Inc. and Future Collaboration

With the mission of "lighting up the future," TRENDE Co., Ltd. develops residential solar power retail services (Hotto Denki, Hidamari Denki, Jibun Denryoku) with zero initial cost, and promotes the efficiency of renewable energy. We are working on technological development and social implementation of P2P power trading*1 that contributes to its practical use and spread.

ITOCHU and TRENDE aim to expand environmental value transactions utilizing the non-fossil value*2 of renewable energy and realize P2P electricity transactions between customers.

*1 P2P power trading: Abbreviation for Peer to Peer. Refers to direct transactions of electricity between electricity consumers and power generation facility owners.
*2 Non-fossil value: Environmental value given to power sources that do not use fossil fuels for power generation. A trading market was established in May 2018 to promote the introduction of renewable energy.

Operation of a Fund Exclusively for Utility Scale Energy Storage for the First Time in Japan Promoting Energy Generation and Storage

As activity in the development of renewable energy increases, it is increasingly necessary to develop functions for the adjustment of supply to meet demand for renewable energy as their output fluctuates greatly. Utility scale energy storage, which can provide power grids with the ability to adjust energy supply to meet demand, is essential for the future carbon-free society. The Tokyo Metropolitan Government has decided to create a government-industry fund to accelerate the ubiquitization of utility scale energy storage which contributes to the stabilization of power grids.

ITOCHU was selected, jointly with Gore Street Capital Limited, as the co-manager of the fund for promoting energy creation and storage being created by the Tokyo Metropolitan Government. This fund is the first in Japan that is intended exclusively for utility scale energy storage, following the establishment of similar funds in Europe and the United States. The fund came into full operation after investment of more than 8 billion yen from private institutional investors.

The fund has goals of making maximum use of renewable energy power sources, stabilizing power demand and supply, enlarging the energy storage plant market and establishing a finance model. With capital participation from many different business sectors including real estate, services, automobiles and finance, the fund will work with these partners to achieve these goals.

Strategic Business Alliance with Akaysha in the Utility Scale Energy Storage Development

ITOCHU and Akaysha Energy Pty (Akaysha) have entered into a strategic alliance agreement to strengthen our competitiveness in the development of high-performance and efficient grid storage battery systems. Akaysha is a business development platform owned by a fund managed by BlackRock group, and promotes the development, ownership and operation of grid storage solutions globally. Through this collaboration, we will combine our innovative solutions to contribute to the further introduction and stable supply of renewable energy and play a role in the realization of a sustainable society.



An image of Akaysha's project under development in Australia

5. Water Infrastructure

ITOCHU identifies water-related businesses as a strategic priority. This is due to our understanding that such demands will increase given global climate change trends projecting drastic changes in rainfall as well as changes in demography especially in emerging economies. We globally engage in water-related businesses such as seawater desalination and water utility, aiming to contribute solutions to the increasing water problems around the world.

Seawater Desalination

We have invested in a seawater desalination project in Victoria, Australia. This is the project that has been providing the reliable water supply for Melbourne since 2012, and this plant is capable to meet approximately 30% of the water need of Melbourne, Victoria. We have invested as the largest shareholder in a seawater desalination project with the Oman Power and Water Procurement Company (OPWP), a government entity of the Sultanate of Oman. OPWP is promoting this project at Barka, in the northern area of the country.

Other Initiatives

The Development and Sales of Seawater Desalinization Plants and Reverse Osmosis Membranes Stable Supply of Life-sustaining Water

– Largest Seawater Desalination Project in Oman –

In March 2016, Barka Desalination Company, in which ITOCHU has invested, agreed a contract to build and operate a new seawater desalination plant with a capacity of 281,000 m^3 per day at Barka, located in the northern area of the Sultanate of Oman, with the aim of ensuring a stable supply of water in the country. This project is a public-private partnership project with the Oman government to provide water for everyday life to the Barka region that suffers from severe water stress. The facilities involved use reverse osmosis membrane (RO membrane) to desalinate the water and are projected to operate for 20 years. It is the largest seawater desalination project in Oman with a total project cost of approximately 300 million US dollars. The plant has started commercial operation in June 2018. Besides, we realized listing on the Muscat Stock Exchange in February 2022.



Aerial view of Oman seawater desalination plant

Clean-tech Business

6. Waste Management Project

All over the world, 2.0 billion tons of municipal solid waste (equivalent to 5,400 times of Tokyo Dome) are discharged annually. At least one-third of this waste is not treated with a proper way. As a result, decomposing gases emitted from waste cause fires, and the toxic substances that flow from waste mix with lakes, rivers, and groundwater, having a negative impact on the health of people and ecosystems in the surrounding areas. Due to rapid urbanization and population growth, especially in emerging countries, the world's waste volume is expected to reach 3.4 billion tons per year over the next 30 years.

ITOCHU is involved as a developer, investor, and operator in three energy-from-waste projects for municipal governments in the United Kingdom, which together treat 850 thousand tons of waste annually and generate enough electricity to power 100,000 British households. In the Republic of Serbia, we are working with the government of Serbia and City of Belgrade to develop a waste management project with an energy-from-waste facility. The project will address one of the biggest environmental and social problems in Serbia - closing and remediating the existing landfill at the Vinca dumpsite, and treat municipal solid waste in City of Belgrade, and generate electricity. Financed by International Finance Corporation (IFC), the European Bank for Reconstruction and Development (EBRD) and Oesterreichische Entwicklungsbank (Austria's Development Bank "OeEB"), an energy-from-waste facility completed construction and commenced commercial operation as of July 2024. This project will treat 340,000 tons of waste annually and generate enough electricity to power 30,000 households.

In addition to these projects, ITOCHU has started an energy-from-waste project in the Emirate of Dubai, the United Arab Emirates in 2020, completed construction and commenced commercial operation as of August 2024. This project will be one of the largest energy-from-waste projects in the world, which will treat 1.9 million tons of waste annually, accounting for about 45% of the municipal solid waste in UAE, and generate electricity. This project will contribute to reaching the goals set by Dubai Municipality in minimizing the volume of municipal waste in landfills and developing alternative energy sources as well as contribute to sustainable and ecologically friendly waste management.



Aerial view of Serbia/Belgrade waste management public-private partnership project

7. Low-carbon Iron Supply Chain

Creating a Low CO_2 Emission Supply Chain for Ferrous Raw Material

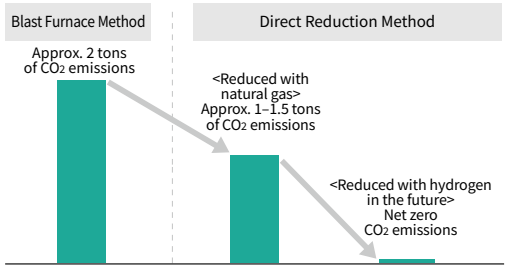
Reducing CO_2 emissions during the steelmaking process has become an urgent issue in the steel industry. The direct reduction route is a ironmaking process that can significantly reduce CO_2 emissions in the steelmaking process compared to the conventional blast furnace route by using high-grade iron ore, which has high iron content, as the raw material and natural gas for its reduction.

ITOCHU is conducting a feasibility study on establishing a low CO_2 emission supply chain for ferrous raw material jointly with JFE Steel Corporation, who is our long-term business partner and EMSTEEL, the largest steel and building materials company in the UAE. On the whole, blast furnace route emits approximately 2 tons of CO_2 per ton of steel, whereas the direct reduction route effectively reduces this to about 1 to 1.5 tons of CO_2 emissions* with access to abundant natural gas. Looking ahead, we aim to achieve zero CO_2 emissions in the steelmaking process by implementing hydrogen reduction.

In this venture, we plan to utilize high-grade iron ore produced by CSN Mineração S.A. (CM), a superior iron ore producer in which ITOCHU has invested. In November 2024, we made an additional investment in CM. The Casa de Pedra mine owned by CM is a rare, operating mine that can produce high-grade iron ore on a large scale and at low cost. Through this additional investment, we will strengthen our cooperative relationship with CM to develop and expand its production system, thereby building a low CO_2 emission supply chain for ferrous raw material.

In addition to this, we have been participating in an iron ore project in Canada since 2022, producing high-grade iron ore which is essential for the production of reduced iron.

* JFE Environmental Vision 2050, page 9



Comparison of CO_2 emissions when producing one ton of crude steel



Image of low-carbon direct reduced iron

Clean-tech Business

8. CCUS/Carbon Fixation

Mineral Carbonation Project with MCi of Australia

ITOCHU invested in the Australia-based company, MCi Carbon Pty Ltd (MCi), and has been collaborating with MCi in promoting its technology which produces carbon embodied products by combining steelmaking slag (by-products of the steelmaking processes), waste concrete and/or serpentinite with CO_2, to utilize as building materials. MCi, established in October 2013, is a pioneer in this field, aiming at the fixation of 100 million tons of CO_2 annually in the future, as its company mission.



MCi's demonstration plant in Newcastle, Australia (photo taken in January 2025)

In July 2022, ITOCHU, TAISEI CORPORATION, and MCi concluded a Memorandum of Understanding (MoU) and are proceeding with verification of the use of these carbon embodied products as raw materials for concrete. In January 2025, ITOCHU, Mitsubishi UBE Cement Corporation, and MCi concluded a MoU with the aim of establishing a supply chain such as construction of a manufacturing plant, securing feedstocks and sales of raw materials in Japan. MCi and ITOCHU are also in discussions with other CO_2 emitters and raw material suppliers both in Japan and foreign countries for commercialization.

MCi already has a pilot plant for testing and is currently constructing a demonstration plant in Newcastle that will be fully automated and capable of continuous operation, with plans to begin full-scale operation in June 2025, processing more than 1,000 tons of CO_2 per year. Thereafter, the company aims to build its first commercial plant in Austria around 2028.

About a Study and Design Work Contract Related to an Advanced CCS Project

A joint proposal by ITOCHU (lead company), NIPPON STEEL CORPORATION, TAIHEIYO CEMENT CORPORATION, Mitsubishi Heavy Industries, Ltd., INPEX CORPORATION, TAISEI CORPORATION, and ITOCHU Oil Exploration Co., Ltd. for the Tohoku Region West Coast CCS Initiative has been selected for the "Survey for the Implementation of Advanced CCS Projects" for FYE 2024 and the "Design Work Related to Advanced CCS Projects" for FYE 2025 by the Japan Organization for Metals and Energy Security (JOGMEC).

CCS (Carbon dioxide Capture and Storage) is positioned as a means for decarbonization that should be fully harnessed to achieve two targets set by the Japanese government: carbon neutrality in 2050 and a 60% reduction in GHG emissions (from the FYE 2014 level) in FYE 2036, and ITOCHU is committed to focusing on its social implementation.

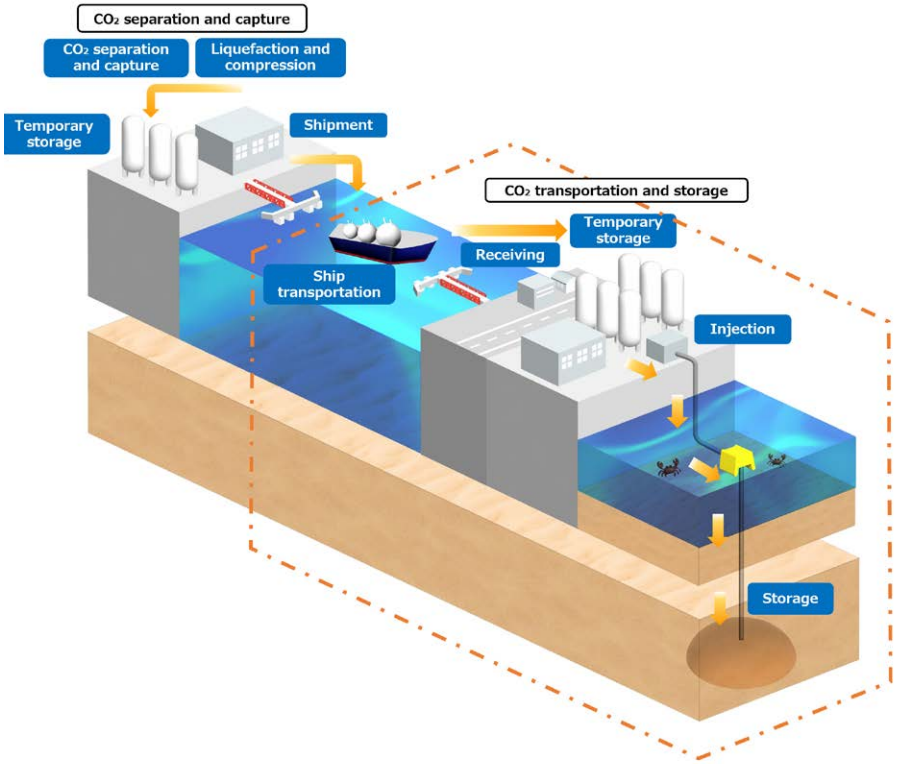


Image of large-scale and wide-area CCS value chain project using ship transportation

Clean-tech Business

9. Green Buildings

ITOCHU's construction and real estate group is committed to providing real estate and distribution services, especially in housing and commercial facilities as well as distribution facilities and housing complexes, which are sustainable and relevant to everyday life. We aim to do so by being involved throughout the value chain, from the development to the operation and management of real estate products, to streamline and optimize the solutions where we can, utilizing smart city concepts and emerging technologies such as IoT.

Our Group's real estate investment trust (REIT) participates in the GRESB Real Estate Assessment, a sustainability assessment framework for real estate investors. We are actively acquiring green building certification* for our real estate portfolio from the perspective of reducing their environmental impacts. Advance Residence Investment Corporation, a listed residential real estate REIT has 27 real estate assets with CASBEE real estate valuation certifications, one real estate asset with DBJ Green Building certification, and four real estate assets with Building-Housing Energy-efficiency Labeling System (BELS) certification which accounts to 33.1% in surface area, and 10.7% in number of units among its entire portfolio. At Advance Private Investment Corporation, an unlisted open-ended REIT, we own three real estate assets with CASBEE real estate valuation certification, which accounts to 37.7% in surface area, and 21.4% in number of units among its entire portfolios.

* Each figure is information as at end of January 2025.

10. Collaboration with Outside Initiatives

ITOCHU is promoting and expanding initiatives for clean-tech business by participating in initiatives. We decide to participate in each initiative upon confirming it conforms to our basic policy and initiatives for the clean-tech business.

Carbon Recycling Fund Institute

The Carbon Recycling Fund Institute, a general incorporated association established in August 2019, believes that further efforts are necessary to achieve carbon neutrality by 2050 by using CO_2 as a carbon source. The institute aims to simultaneously solve the problem of global warming and improve energy access around the world. It supports the creation of carbon recycling innovation through research assistance and publicity activities related to carbon recycling, with ITOCHU also participating as a member.

Japan CCS Co., Ltd.

In response to the national policy to develop and promote CCS technology, Japan CCS Co., Ltd. (JCCS) was established in May 2008 by a group of major companies with expertise in CCS-related fields, including electric power, petroleum, oil development, and plant engineering. JCCS is a company founded and dedicated explicitly for developing the integrated CCS technology, and conducting feasibility studies and demonstration projects in Tomakomai area, Hokkaido, pertaining to carbon dioxide capture, utilization, transportation and storage technologies. As one of the shareholders, ITOCHU has been supporting this project. Also, separate from this project in Hokkaido, We are jointly conducting research and demonstration project of NEDO to establish liquefied CO_2 ship transportation technology with JCCS as the consortium partners.

The Association for Reciprocal Revitalizations of Renewable Energy and Region (FOURE)

The Association for Reciprocal Revitalizations of Renewable Energy and Region (FOURE) was established in June 2021. It is an organization aiming to expand the introduction of renewable energy that benefits regions and to realize a decarbonized society. The organization is achieving this aim by spreading the introduction of renewable energy as the main power source in regions in Japan and by regions and renewable energy coexisting and mutually developing. ITOCHU has been participating as a member since March 2022.

Japan Sustainable Fashion Alliance

The Japan Sustainable Fashion Alliance was established in August 2021 with ITOCHU serving as the first representative alongside GOLDWIN INC. and JEPLAN, INC. The purpose of this alliance is to promote a transition to a sustainable fashion industry with targets of zero fashion loss through appropriate production, appropriate purchasing and recycling, and carbon neutrality in 2050. The alliance will realize its purpose by understanding the impact the fashion industry has on the natural environment and society to come up with solutions jointly for shared issues in the fashion and textile industries.

Clean-tech Business

List of Renewable Energy Related Efforts (Power Generation Capacity Basis)

Details of Effort	Name of Business / Investment Project	Country	Generating Capacity / Size	Estimated GHG Reduction Figures (Project 100% Basis)
Wind	Aspenall Wind Power Project	USA	43 MW	100,000 t/year
	Cotton Plains Wind Power Project	USA	202 MW	480,000 t/year
	Prairie Switch Wind Power Project	USA	160 MW	380,000 t/year
	Grandview Wind Power Project	USA	211 MW	500,000 t/year
	Bowman Wind Power Project (Under Construction)	USA	209 MW	500,000 t/year
	Mutsu Ogawara Wind Power Project (Under Construction)	Japan	64.5 MW	150,000 t/year
Offshore Wind	Butendiek Offshore Wind Power Project	Germany	● 288 MW ● Scale of power generation: Equivalent power consumption of 370,000 households	750,000 t/year
Waste Management	ST&W Waste Management Project / South Tyne & Wear Energy Recovery Holdings Limited	UK	● Incineration treatment of 260,000 t/year of general waste ● Scale of power generation: Equivalent power consumption of 31,000 households	60,000 t/year
	Cornwall Waste Management Project / Cornwall Energy Recovery Holdings Limited	UK	● Incineration treatment of 240,000 t/year of general waste ● Scale of power generation: Equivalent power consumption of 21,000 households	60,000 t/year
	West London Waste Management Project / West London Energy Recovery Holdings Limited	UK	● Incineration treatment of 350,000 t/year of general waste ● Scale of power generation: Equivalent power consumption of 50,000 households	80,000 t/year
	Serbia Waste Management Project / Beo Cista Energija	Serbia	● Incineration treatment of 340,000 t/year of general waste and utilization of landfill gas ● Scale of power and heat generation: Equivalent power consumption of 30,000 households and heat consumption 60,000 households in the winter	100,000 t/year
	Dubai Waste Management Project / Warsan Waste Management Company P.S.C.	UAE	● Incineration treatment of 1,900,000 t/year ● 200 MW ● Scale of power generation: Equivalent power consumption of 135,000 households	1,090,000 t/year
Geothermal	Sarulla Operations Ltd	Indonesia	330 MW	2,150,000 t/year
Solar	Cotton Plains Solar Power Project	USA	15 MW	20,000 t/year
	Rosamond South Solar and Storge Battery Project (Under Construction)	USA	140 MW	150,000 t/year
	Rooftop Solar Projects	Vietnam	15 MW	20,000 t/year
	Oita Hiyoshibaru Solar Power Plant Large-Scale Solar Power Plant	Japan	45 MW	50,000 t/year
	Shin-Okayama Solar Power Plant Large-Scale Solar Power Plant	Japan	37 MW	40,000 t/year
	Saijo Komatsu Solar Power Plant Large-Scale Solar Power Plant	Japan	26 MW	30,000 t/year
	Saga-Ouchi Solar Power Plant Large-Scale Solar Power Plant	Japan	21 MW	20,000 t/year
	i-Grid Solutions, Inc.	Japan	291 MW	300,000 t/year
	Clean Energy Connect	Japan	193 MW	200,000 t/year
	Solaben Concentrating Solar Power	Spain	100 MW	180,000 t/year
Biomass	Ichihara Biomass Power Plant	Japan	● 49.9 MW ● Scale of power generation: Equivalent power consumption of 120,000 households	360,000 t/year
	Hyuga Biomass Power Plant	Japan	50 MW	360,000 t/year
	Tahara Biomass Power Plant (Under Construction)	Japan	50 MW	360,000 t/year

Results of Green Revenue (Organizational Performance Including Clean-tech Business Revenue)

	FYE 2025 Net profit attributable to ITOCHU	FYE 2026 Forecast Net profit attributable to ITOCHU
Power & Environmental Solution Division*1	8.9 billion JPY	7.5 billion JPY
North American Electric-power-related Business*2	11.5 billion JPY	14.8 billion JPY

*1 Division under the Energy & Chemicals Company that specializes in domestic renewable energy power generation and storage battery business.
*2 The figures are the sum of results/forecast of the Group companies engaged in the North American electric power business and related service business.

ESG Data (Environment)

Independent Assurance

The data below marked with ★ is independently assured by KPMG AZSA Sustainability Co., Ltd. This assurance is conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 and 3410 of the International Auditing and Assurance Standards Board (IAASB).

★: Scope1/Scope2 & its total, the volume of water withdrawal and wastewater discharge attributable to Japanese Bases of ITOCHU Corporation, Scope3 (Upstream Transportation & Distribution) related to domestic contracted transportation of ITOCHU Corporation as the shipper; the waste, waste non-recycled, waste recycled, recycling rate and treated water production volume for the Tokyo Headquarters; total electricity consumption, Scope1/Scope2, and its total attributable to ITOCHU Group; NOx, SOx, VOC emissions of Japanese Bases of ITOCHU Group; and hazardous waste of Japanese Bases of ITOCHU Corporation and Japanese Bases of ITOCHU Group.

Independent Assurance Report (P251)

Scope of Aggregation

○: in scope of aggregation

			Japanese Bases of ITOCHU Corporation*1	Group Companies in Japan*2	Overseas Offices*3	Overseas Group Companies*4
Climate Change	Energy Consumption	Energy Consumption	○	–	–	–
		Energy Consumption Attributable to Business Facilities	○	–	–	–
		Electricity Consumption	○	○	○	○
		Heat & Steam Consumption	○	○	○	○
		Fuel Consumption	○	○	○	○
		Energy Intensity	○	–	–	–
	GHG Emission	Scope1/Scope2	○	○	○	○
		GHG Emissions from Business Facilities	○	○	○	○
		Scope1 Total Emissions Breakdown by GHG Type	○	○	○	○
		Scope3	○	○	○	○
		GHG Emissions (Scope1+2) Intensity	○	○	○	○
Prevention of Pollution & Resource Circulation	Prevention of Pollution	NOx, SOx, VOC	○	○	○	○
	Resource Circulation	Waste & Waste Recycling Rate	○	○	○	○
		Hazardous Waste	○	○	○	○
		Paper Consumption	○	–	–	–
Water Resources Conservation	Water Withdrawal and Wastewater Discharge	Volume of Water Withdrawal & Wastewater Discharge, Water Withdrawal Amount by Withdrawal Source, Discharge Amount by Discharge Destination, Water Withdrawal in Water Stressed Regions, Water Consumption in Manufacturing Processes that are Highly Dependent on Water Resources (Intensity), Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD)	○	○	○	○
Environmental Accounting		Environmental Conservation Costs, Environmental Conservation & Economic Effects	○	–	–	–

*1 The Tokyo Headquarters, the Osaka Headquarters, 5 Branches (Hokkaido, Tohoku, Chubu, Chugoku and Shikoku, Kyushu).
The number of offices including domestic branches: FYE 2021: 6, FYE 2022: 8, FYE 2023: 6, FYE 2024: 6, FYE 2025: 6 (Data coverage in FYE 2025: 100%).
Up to FYE 2021, other branches had been included. Ippeki Villa Area is not included in the scope of the data FYE 2023 due to business transfer during the fiscal period.
*2 The number of companies covered: FYE 2021: 232, FYE 2022: 233, FYE 2023: 225, FYE 2024: 241, FYE 2025: 241 (Data coverage in FYE 2025: 100%)*5.
*3 The number of overseas offices covered: FYE 2021: 49, FYE 2022: 46, FYE 2023: 43, FYE 2024: 43, FYE 2025: 41 (Data coverage in FYE 2025: 100%).
*4 The number of companies covered: FYE 2021: 274, FYE 2022: 254, FYE 2023: 257, FYE 2024: 261, FYE 2025: 263 (Data coverage in FYE 2025: 100%)*5.
*5 The number of companies covered includes all the consolidated subsidiaries, including those held for investment management purposes. However, non-manufacturing site offices with 10 or fewer employees are not included in GHG Emission, Water Withdrawal and Wastewater Discharge, and Hazardous Waste due to their quantitative insignificance.

ESG Data (Environment)

Climate Change Performance Data

Energy Consumption

Energy Consumption

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Japanese Bases of ITOCHU Corporation	Purchased and Consumed Non-Renewable Fuel (Unit: MWh)	640	580	331	156	182
	Purchased Non-renewable Power (Unit: MWh)	27,320	27,107	26,332	22,367	22,411
	Other Purchased Non-renewable Energy (e.g., Steam, Heat and Cooling Water) (Unit: MWh)	7,401	6,869	7,046	7,993	8,371
	Generated Renewable Energy (Solar Power Generation*1) (Unit: MWh)	60	63	61	66	63
	Total of Energy Consumption Cost (Unit: million JPY)	571	573	652	612	625

*1 Solar Power Generation
ITOCHU has installed solar panels on the roof of our Tokyo Headquarters and the roof of the adjacent Itochu Garden (former CI PLAZA). These panels started generating power in March 2010. The power generation capacity of the solar panels installed is a total of 100 kW. This is equivalent to the power for 30 regular houses (calculated at approximately 3.0 kW per house). All the clean energy generated is used in our Tokyo Headquarters. This is equivalent to an amount of power used in lighting 3.5 floors in our Tokyo Headquarters (during maximum instantaneous power generation)

Energy Consumption Attributable to Business Facilities

(Unit: GJ)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Tokyo Headquarters	121,290	118,419	118,627	103,751	105,648

- The figures for the Tokyo Headquarters had been calculated based on the Tokyo Metropolitan Ordinance on Environmental Preservation until FYE 2023, and from FYE 2024 with the emission factors specified in the revised Act on Promotion of Global Warming Countermeasures effective April 1, 2024 (the "Revised Act")

Electricity Consumption

(Unit: MWh)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Japanese Bases of ITOCHU Corporation*1	10,231	10,214	9,269	9,386	9,401
Group Companies in Japan	1,248,258	1,202,311	975,320	1,014,274	1,052,086
Overseas Offices	3,515	3,469	3,126	3,096	3,040
Overseas Group Companies	437,030	422,880	538,683	645,863	777,543
Grand Total of ITOCHU Group	1,699,034	1,638,874	1,526,398	1,672,619	★1,842,070

*1 The Tokyo Headquarters is sourcing its real CO_2-free electricity together with a FIT Non-Fossil Fuel Certificate since January 2020

Heat and Steam Consumption

(Unit: GJ)

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
ITOCHU Group	Industrial Steam	488,429	520,936	851*1	797	20,191
	Non-industrial Steam	15,462	14,532	14,593	15,636	17,323
	Hot Water	5,710	6,285	4,745	4,373	3,868
	Cold Water	67,618	62,874	22,353*2	25,420	26,759

*1 In FYE 2023, a Group company became non-consolidated subsidiaries and is not included in the calculation, which causes significant decrease from FYE 2022.
*2 Decreased in FYE 2023 due to sales of some business sites of a Group company.

Fuel Consumption

			FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
ITOCHU Group	Kerosene (Unit: kL)		3,387	3,086	2,151	1,944	1,920
	Light Oil (Unit: kL)		48,460	46,262	48,762	42,671	46,656
	Gasoline (Unit: kL)		12,688	11,547	11,619	11,751	11,081
	Heavy Oil A (Unit: kL)		18,969	58,137	19,292	19,324	18,389
	Heavy Oil B and C (Unit: kL)		25,546	13,595	20,784	13,959	13,614
	Coal (Unit: t)		325,431	292,371	192,663	180,851	191,625
	Petroleum gas	Liquefied Petroleum Gas (LPG) (Unit: t)	11,294	13,575	14,661	13,350	12,687
		Liquefied Petroleum Gas (LPG) (Unit: thousand m^3)	469	1,200	578	1,409	1,276
		Liquefied Petroleum Gas (LPG) (Unit: kL)	1,209	660	564	1,283	1,151
		Petroleum Hydrocarbon Gas (Unit: thousand m^3)	3	3	3	3	1
	Combustible Natural Gas	Liquefied Natural Gas (LNG) (Unit: t)	4,524	11,654	2,534	4,540	5,483
		Other Combustible Natural Gas (Unit: thousand m^3)	12,761	7,101	27,749	28,035	50,215
	City Gas, etc.	City Gas (Unit: thousand m^3)	46,793	37,107	33,931	28,688	31,738
		Other Gas (Unit: thousand m^3)	404	0	0	0	0

ESG Data (Environment)

Energy Intensity

Energy Consumption from ITOCHU's Domestic Sites (Intensity)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Per Employee (Total of Japanese Bases of ITOCHU Corporation) (Unit: GJ/employee)	15.536	15.245	14.418	14.931	15.179
Per One Square Meter of All Floor Space (Total of Japanese Bases of ITOCHU Corporation) (Unit: GJ/m^2)	0.576	0.564	0.539	0.559	0.580

- The denominators of intensity figures per one square meter of all floor space are as follows: FYE 2021: 114,920 m^2, FYE 2022: 113,434 m^2, FYE 2023: 111,945 m^2, FYE 2024: 111,893 m^2, FYE 2025: 110,224 m^2

GHG Emissions

Scope1/Scope2

(Unit: thousand t-CO$_2$e)

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Japanese Bases of ITOCHU Corporation	Scope1	0	0	0	0	★0
	Scope2	6	6	6	2	★2
	Scope1+2	7	6	6	2	★2
ITOCHU Group	Scope1	1,522	1,485	1,166	1,062	★1,087
	Scope2	800	716	600	627	★640
	Scope1+2	2,322	2,201	1,766	1,690	★1,726

- The calculation of GHG uses the GHG Protocol developed by WRI (the World Resources Institute) and WBCSD (the World Business Council for Sustainable Development), and is aggregated according to the operational control approach.
  GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials.

GHG Emissions from Business Facilities (Scope1+2)

(Unit: thousand t-CO$_2$e)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Tokyo Headquarters	6	6	6	2	2
Japanese Bases of ITOCHU Corporation	7	6	6	2	★2
Group Companies in Japan	1,611	1,507	1,133	1,111	1,134
Overseas Offices	3	3	3	3	3
Overseas Group Companies	701	684	625	573	587
Grand Total of ITOCHU Group	2,322	2,201	1,766	1,690	★1,726

- Energy-related CO$_2$ emissions included in the ITOCHU Group's Scope1 emissions are calculated by applying the emission factors specified in the Act on Promotion of Global Warming Countermeasures. Until FYE 2023, CO$_2$ emissions had been calculated using emission factors before the enforcement of the Revised Act, and from FYE 2024 with the emission factors specified in the Revised Act. However, CO$_2$ emissions from city gas had been calculated by applying the emission factors (City gas: 2.23 t-CO$_2$/thousand m^{3}N) that were effective prior to the enforcement of the Revised Act until FYE 2024, and FYE 2025 was calculated with the emission factors by gas utility published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry as of June 28, 2024.
- CO$_2$ emissions from electric power generation of Japanese Bases of ITOCHU Corporation and Group Companies in Japan are calculated by applying basic emission factors by electric utility for data up to FYE 2021 and adjusted emission factors by electric utility for data from FYE 2022 and onward. The data for FYE 2025 is based on the adjusted emission factors for each electric utility published by the Ministry of the Environment on March 18, 2025.
- CO$_2$ emissions from electricity of Overseas Offices and Overseas Group Companies are calculated based on CO$_2$ conversion coefficient according to the Emission Factors 2024 of the International Energy Agency (IEA 2024). We used 2022 data of IEA 2024 for calculation of the figures of FYE 2025.
- CO$_2$ emissions from heat (Non-industrial Steam, Hot Water, and Cold Water) had been calculated using emission factors (Non-industrial Steam, Hot Water, and Cold Water: 0.057 t-CO$_2$/GJ) that were effective prior to the enforcement of the Revised Act until FYE 2024, and FYE 2025 was calculated with the emission factors by heat supplier, which were published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry on June 28, 2024, and partially revised on July 12, 2024.
- The figures for the Tokyo Headquarters had been calculated based on the Tokyo Metropolitan Ordinance on Environmental Preservation until the FYE 2023, and from FYE 2024 with the emission factors specified in the Revised Act.
- CO$_2$ emissions in FYE 2025 that are not included in any of the Scope1,2 and 3 emissions are 410 thousand t-CO$_2$e, which are CO$_2$ emissions from the combustion of biomass fuels such as wood and vegetable residues.

Scope1 Total Emissions Breakdown by GHG Type

(Unit: thousand t-CO$_2$e)

			FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Scope1 Total Emissions			1,522	1,485	1,166	1,062	1,087
Energy-Related CO$_2$			1,234	1,214	907	845	902
Total GHG Emissions other than Energy-Related CO$_2$			288	270	259	218	185
	Breakdown	Non-Energy-Related CO$_2$	0	0	16	14	16
		Methane (CH$_4$)	118	136	122	106	83
		Dinitrogen Monoxide (N$_2$O)	119	108	103	82	72
		Hydrofluorocarbon (HFCs)	51	26	18	16	14
		Perfluorocarbon (PFCs)	0	0	0	0	0
		Sulfur Hexafluoride (SF$_6$)	0	0	0	0	0
		Nitrogen Trifluoride (NF$_3$)	0	0	0	0	0

- The global warming potential (GWP: Global Warming Potential) for the calculation of GHG emissions other than energy-related CO$_2$ is based on GWP100 of the IPCC 4th Assessment Report (AR4) for FYE 2021-2023, GWP100 of the IPCC 5th Assessment Report (AR5) for FYE 2024-2025.
- GHG emissions other than energy-related CO$_2$ from Group companies that emit 3,000 or more t-CO$_2$e per year are aggregated and disclosed.
  We started including "CH$_4$ and N$_2$O emissions associated with pig breeding and excrement management" and "HFC emissions due to leaks from refrigerating equipment, etc." from FYE 2019, and started further including "CH$_4$ emissions associated with wastewater treatment", "CH$_4$ emissions associated with composting and landfilling waste" and "N$_2$O emissions associated with the use of fertilizer on farms" from FYE 2021.
- GHG emissions derived from fluorocarbons are as follows:
  - Group Companies in Japan: Calculated according to the calculation method stipulated by Act on Rational Use and Appropriate Management of Fluorocarbons. However, HCFC is not included in the aggregation.
  - Overseas Group Companies: Calculated based on the charging amount of fluorocarbons used as refrigerants.

ESG Data (Environment)

Scope3

(Unit: thousand t-CO_2e)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Capital Goods*1	660	621	598	506	626
Fuel & Energy Related Activities*2	310	389	342	378	381
Upstream Transportation & Distribution*3	12	10	12	11	★15
Waste Generated in Operations*4	369	350	298	232	210
Business Travel*5	21	25	44	133	133
Employee Commuting*6	25	23	18	27	28
Franchises*7	1,089	1,048	1,025	947	1,019

Emission intensity is selected from the Inventory Database for Calculation of an Organization's GHG Emissions through the Supply Chain issued by the Ministry of Environment of Japan, the Inventory Database for Environmental Analysis (IDEA) Ver.3.3 developed by National Institute of Advanced Industrial Science and Technology (AIST), etc.
GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials.

*1 Calculated by multiplying the amount of fixed assets acquired (consolidated basis) in the relevant fiscal year by the emission intensity per capital goods price.
*2 Calculated using various emission intensities for fuel, heat, and purchased electricity collected during Scope1 and Scope2 calculations. Emissions from the generation of wholesale and retail electricity are also included in this category.
*3 Emissions related to domestic contracted transportation of ITOCHU Corporation as the shipper are calculated based on the Greenhouse Gas Emissions Calculation and Reporting Manual issued by the Ministry of the Environment and the Ministry of Economy, Trade and Industry.
*4 Calculated based on various waste and wastewater emissions intensity for the entire ITOCHU Group.
*5 Calculated based on the consolidated accounting data of the ITOCHU Group. The emissions intensity is used for each type of business trip. In FYE 2025, the GHG reduction effect of 100 t-CO_2e was included applying "Certificate of CO_2 Reduction Effect by SAF" which we purchased through "SAF Flight Initiative" offered by All Nippon Airways Co., Ltd.
*6 The consolidated commuting expenses are estimated based on ITOCHU's commuting expenses and the number of employees, and then the figure is calculated using the emission intensity of railway commuting.
*7 The difference between Scope1 and Scope2 of franchisees of related consolidated subsidiaries of the ITOCHU Group and Scope1 and Scope2 of those subsidiaries is recorded.

GHG Emissions (Scope1+2) Intensity

■ GHG (Scope1+2) Emissions from ITOCHU's Domestic Sites and ITOCHU Group (Intensity)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Per Employee (Total of Japanese Bases of ITOCHU Corporation) (Unit: t-CO_2e/employee)	1.552	1.540	1.439	0.468	0.437
Per One Square Meter of All Floor Space (Total of Japanese Bases of ITOCHU Corporation) (Unit: t-CO_2e/m^2)	0.058	0.057	0.054	0.018	0.017
Per MWh of Electricity Consumption (Grand Total of ITOCHU Group) (Unit: t-CO_2e/MWh)	0.471	0.437	0.393	0.375	0.347

- The denominators of intensity figures per one square meter of all floor space are as follows: FYE 2021: 114,920 m^2, FYE 2022: 113,434 m^2, FYE 2023: 111,945 m^2, FYE 2024: 111,893 m^2, FYE 2025: 110,224 m^2

■ CO_2 Emissions by Beverage Manufacturing Companies (Intensity)

Business Profile	Company Name (Boundary)	Unit	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Beverage Manufacturing	Clear Water Tsunan Co., Ltd. (Soft drink manufacturing and sales business)	t-CO_2e/ production capacity in kL	0.088	0.080	0.073	0.073	0.061

Avoided Emissions

Avoided emissions is a quantification of the amount of GHG emissions in the value chain that could be reduced or curbed if existing products and services (baseline) were replaced with our products and services. International discussions are continuing on the calculation rules for avoided emissions in order to establish a system that is more in line with the actual situation. We will continue to review our own calculation and disclosure methods in light of these discussions.

Valuation Target	FYE March 2025	Baseline	Calculation Method
Renewable Energy Power Generation	9,505 thousand t-CO_2e	Coal-fired Power Generation in Each Country	• Methodology for calculating annual avoided emissions: Generation capacity x 8,760h x estimated facility utilization rate x emission factor x equity share. • Comparison is made only for the avoided emissions in the operational phase of each project. • The figures for power plants in which we invest and operate are calculated on a stock basis (single year), while the figures for power plants in which we develop and sell concessions are calculated on a flow basis (lifetime). • For power plants that we only operate, and we develop and sell concessions, we multiply the above formula by 70% as our contribution rate. • Emission factors are referred to International Energy Agency (IEA) Emission Factors.
Energy Storage	164 thousand t-CO_2e	Coal-fired Power Generation in Each Country	• Methodology for calculating annual avoided emissions: Our sold storage capacity x discharge depth x 365d x emission factor. • Assumed that storage batteries are fully charged with renewable energy and discharge it like a virtual power plant (VPP) to replace existing power plants. • Calculated on a flow basis (lifetime), assuming a 70% discharge depth and 20 years of operation for the storage batteries we sold. A certain degradation rate is also taken into account. • Emission factors are referred to International Energy Agency (IEA) Emission Factors.
Renewable Fuel	4 thousand t-CO_2e	Fossil Fuel	• Methodology for calculating annual avoided emissions: Sales volume x life cycle reduction rate x emission factor. • Life cycle reduction rate is a measure of how much GHGs can be reduced over the entire life cycle of a product compared to a conventional product. Assumed to be 80% to 90% for each product. • Emission factors are referred to those given in the Energy Efficiency and Global Warming Countermeasures Reporting System of the Ministry of Environment of Japan.

ESG Data (Environment)

Pollution Prevention and Resource Circulation Performance Data

Pollution Prevention

NOx, SOx, VOC

(Unit: t)

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Japanese Bases of ITOCHU Group*1	NOx (Nitrogen Oxides)*2	1,569	1,437	1,108	982	★ 986
	SOx (Sulfur Oxides)*2	416	416	370	298	★ 347
	VOC (Volatile Organic Compounds)*3 *4	445	400	219	312	★ 376
Overseas Bases of ITOCHU Group	NOx (Nitrogen Oxides)*2	1,458	1,656	131	65	122
	SOx (Sulfur Oxides)*2	333	545	284	235	521
	VOC (Volatile Organic Compounds)*3	182	192	222	215	3,676
Grand Total of ITOCHU Group	NOx (Nitrogen Oxides)*2	3,027	3,093	1,239	1,047	1,109
	SOx (Sulfur Oxides)*2	749	961	653	534	869
	VOC (Volatile Organic Compounds)*3 *4	627	592	441	527	4,052

*1 The data are calculated for the business bases located in Japan.
*2 NOx and SOx emissions are calculated for soot and smoke generating facilities under the Air Pollution Control Act.
*3 VOC emissions are calculated for compounds that fall under the VOC 100 types indicated in the notification of the Air Pollution Control Act by the Ministry of the Environment. The main compounds to be counted include ethyl acetate, propyl acetate and isopropyl alcohol. See Attachment 1 of "Enforcement of the Act to Partially Amend the Air Pollution Control Act" (Notice of the Ministry of the Environment, No. 050617001, Kankan Daihatsu, dated June 17, 2005).
*4 VOC emissions from facilities that are not classified as VOC emission facilities under the Air Pollution Control Act are calculated as the total handling amount of VOCs without taking into account the removal rate, even if the facility is equipped with local exhaust ventilation or similar equipment.

Resource Circulation

Waste Generated and Waste Recycling Rate

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Tokyo Headquarters	Waste Generated (Unit: t)	465	469	428	451	★ 418
	Waste Non-recycled	31	30	39	34	★ 35
	Waste Recycled	434	439	389	417	★ 383
	Recycling Rate (Unit: %)	93.4	93.7	90.9	92.5	★ 91.7
Osaka Headquarters, Branches and Other Business Facilities in Japan	Waste Generated (Unit: t)	1,226	2,265	3,160	1,722	1,168
Group Companies in Japan	Waste Generated (Unit: t)	248,465	141,355	110,911	108,968	115,346
Overseas Offices	Waste Generated (Unit: t)	41	238	449	412	143
Overseas Group Companies	Waste Generated (Unit: t)	504,085	504,296	525,187	498,016	538,249
Grand Total of ITOCHU Group	Waste Generated (Unit: t)	754,283	648,623	640,135	609,568	655,324
	Waste Non-recycled	584,567	194,374	132,496	141,219	109,951
	Waste Recycled	169,716	454,249	507,639	468,349	545,372
	Recycling rate (Unit: %)	23	70	79	77	83

• The waste generated of the Tokyo Headquarters includes the amount sold as valuables

Hazardous Waste Generated

(Unit: t)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Japanese Bases of ITOCHU Corporation・Japanese Bases of ITOCHU Group*1 *2	750	251	226	267	★ 384
Overseas Offices・Overseas Bases of ITOCHU Group	1,111	1,063	4,374	3,462	3,621
Grand Total of ITOCHU Group	1,861	1,314	4,600	3,730	4,004

*1 The data are calculated for the business bases located in Japan.
*2 The amount of specially controlled industrial waste specified in the "Waste Disposal and Public Cleansing Law" is totaled.

Paper Consumption

(Unit: thousand sheets (A4 equivalent))

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Japanese Bases of ITOCHU Corporation	Copy Paper Consumption	19,167	14,916	14,383	12,720	12,190

ESG Data (Environment)

Water Resources Performance Data

Water Withdrawal and Wastewater Discharge

Volume of Water Withdrawal & Wastewater Discharge

(Unit: thousand m³)

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Tokyo Headquarters	City water usage	29	30	37	40	40
	Treated water production volume*1	25	27	32	38	★39
	Wastewater Discharge	41	41	50	54	55
Osaka Headquarters, Branches and Other Business Facilities in Japan	Water withdrawal	61	84	4	7	6
	Wastewater discharge	133	169	6	7	6
Japanese Bases of ITOCHU Corporation	Water withdrawal*2 *3	90	115	41	62	★61
	Wastewater discharge*2 *4	173	210	56	60	★61
Group Companies in Japan	Water withdrawal	24,540	25,228	14,833	15,315	16,379
	Wastewater discharge	14,269	14,926	9,835	9,871	10,805
Overseas Offices	Water withdrawal	16	31	39	36	22
	Wastewater discharge	15	31	39	35	22
Overseas Group Companies	Water withdrawal	48,494	32,747	30,208	35,251	33,674
	Wastewater discharge	21,723	16,319	14,347	13,275	10,551
Grand Total of ITOCHU Group	Water withdrawal	73,140	58,120	45,121	50,663	50,136
	Wastewater discharge	36,181	31,486	24,277	23,241	21,438

*1 The treated water production volume partly contains "City water usage".
*2 FYE 2023, water withdrawal and wastewater volume decreased significantly from the previous fiscal year because the business of the Ippeki villa area was transferred during the fiscal year and is not included in the calculation.
*3 The amount of rainwater used for treated water production has been counted in water withdrawal at the Tokyo Headquarters from FYE 2024.
*4 The amount of wastewater discharge from Japanese Bases of ITOCHU Corporation until FYE 2022 includes wastewater from sewage treatment plants that receive and treat sewage from third parties, so the amount of wastewater greatly exceeds the amount of water withdrawal.
- Water sprayed for irrigation is not included in wastewater discharge.
- Estimation method when water withdrawal and wastewater discharge are not known;
  for Water withdrawal: using a certain basic unit.
  for Wastewater discharge: assuming the same amount as water withdrawal or using a certain basic unit.

Water Withdrawal Amount by Withdrawal Source

(Unit: thousand m³)

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
ITOCHU Group	Supplied Water Usage, Industrial Water	12,119	11,655	11,669	12,618	14,099
	Groundwater Withdrawal	20,516	16,702	15,349	18,652	15,575
	Water Taken from Rivers, Lakes, Rainwater	31,402	19,729	18,079	19,340	20,427
	Water Taken from Seawater	9,068	10,015	0	0	0
	Others (External wastewater, Produced Water, etc.)	34	19	25	54	35
	Grand Total	73,140	58,120	45,121	50,663	50,136

Discharge Amount by Discharge Destination

(Unit: thousand m³)

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
ITOCHU Group	Water Discharged to Treatment Facility (e.g., Sewage)	7,181	9,893	7,052	7,416	7,878
	Water Discharged to Groundwater	11,639	6,464	3,912	4,069	1,872
	Water Discharged to Rivers, Lakes	10,251	12,581	10,730	9,009	8,595
	Water Discharged to Sea	6,679	1,905	1,857	2,355	3,068
	Others	431	642	725	392	24
	Grand Total	36,181	31,486	24,277	23,241	21,438

ESG Data (Environment)

Water Withdrawal in Water Stressed Regions

The amount of water withdrawal at sites with high risk and extremely high risk identified using the WRI Aqueduct tool developed by WRI (World Resources Institute) (P82) is as follows:

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
High Risk (40-80%)	Number of Sites	7	4	5	8	9
	Water Withdrawal (thousand m^3)	2,786	2,449	2,478	139	264
Extremely High Risk (>80%)	Number of Sites	3	3	5	7	8
	Water Withdrawal (thousand m^3)	1,096	1,362	1,167	3,920	1,909

Water Consumption in Manufacturing Processes that are Highly Dependent on Water Resources (Intensity)

Category	Boundary	Unit	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Beverage Manufacturing	Clear Water Tsunan Co., Ltd. (Soft drink manufacturing and sales business)	(Water Consumption m^3/Production Volume in kL)	1.85	1.82	1.83	1.81	1.82

Biochemical Oxygen Demand (BOD) Chemical Oxygen Demand (COD)

		Unit	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
ITOCHU Group discharge amount into Water	BOD load	t	39,099	28,622	52,612	31,511	5,761
	COD load	t	213,808	135,710	231,914	123,785	20,948

Chemical Oxygen Demand (COD)

Category	Boundary	Unit	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Chemical	C.I. TAKIRON Corporation (factory)	mg/L	2.20	2.80	1.50	1.67	1.60

Environmental Accounting

Environmental Conservation Costs

(Unit: thousands of yen)

	Classification	Items	FYE 2025
Japanese Bases of ITOCHU Corporation	Costs inside Business Areas	Costs related to pollution prevention, global environmental conservation, and resource recycling	143,459
	Upstream & Downstream Costs	Additional costs for reducing environmental impact, green procurement costs, and containers and packaging recycling.	54,555
	(Green Procurement Costs)		6,873
	Management Activity Costs	Costs for the development and operation of environmental management systems and environmental education for employees	535,400
	Research and Development Costs	R & D costs for products contributing to environmental conservation	500
	Social Activity Costs	Costs for environmental improvement measures such as nature conservation, greening, beautification, and landscape preservation, as well as donations and support to organizations engaged in environmental conservation	25,244
	Costs to Address Environmental Damage	Costs for nature restoration, compensation for damages related to environmental conservation, etc.	5,080
	Grand Total of Japanese Bases of ITOCHU Corporation		764,238

• Summarized based on the Environmental Accounting Guidelines - 2005 Edition from the Ministry of the Environment

Environmental Conservation and Economic Effects

		FYE 2025	
		Environmental Conservation Effects	Economic Effects (Unit: thousands of yen)
Japanese Bases of ITOCHU Corporation	Paper Usage	530 thousand sheets	-140
	Electricity Usage	-16 MWh	-13,464
Tokyo Headquarters	Waste Generated	23 t	1,050
	Water Usage	-2,192 m^3	-1,197

• Environmental conservation and economic effects are calculated by subtracting actual values for the current fiscal year from those for the previous fiscal year

Understanding the Situation of our Environmental Obligations

We do not limit ourselves to just supporting statutory requirements in regards to the environmental risks in the tangible fixed assets (e.g., land and buildings) of ITOCHU alone and our Group companies — in particular, asbestos, PCB and soil contamination; we also look to understand the situation through surveys voluntarily and then aim to respond in a way that is helpful to prompt management policy decisions and judgments. As of March 2025, we estimate the cost of waste disposal at JPY 25 million, which is a reasonably estimable amount (shadow cost) for future environmental liabilities.

Society



Society

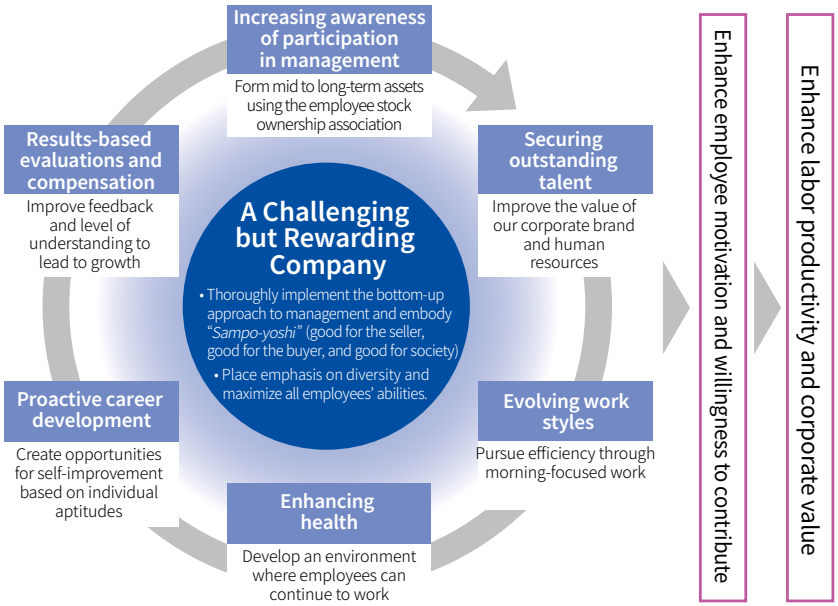
Labor Practices: Employment and Benefits

Policy and Basic Concept

In running a global business in a wide range of domains, more than 110,000 consolidated employees as of the end of FYE 2025 join together to operate as the ITOCHU Group. ITOCHU Corporation is implementing various initiatives that aim to create a working environment where our diverse body of employees can reach their full potential. Some of our notable initiatives include: enhancing our early morning-focused work system to promote work-style reforms, the establishment of various systems to support employees with caring duties, and the promotion of social activities among employees at our recreational facilities.

ITOCHU's Code of Ethical Conduct stipulates respect and consideration for human rights. Furthermore, ITOCHU's labor standards have been formulated in accordance with the principle of Elimination of Discrimination in Respect of Employment and Occupation of the International Labour Organization (ILO)'s Declaration on Fundamental Principles and Rights at Work (and its Follow-up).* For this reason, ITOCHU adheres to the statutory minimum wage and applies a consistent compensation system for the same qualifications and position level (equal pay for equal work) and without gender discrimination, and develop a challenging but rewarding work environment.

* The ITOCHU Group expresses its support to the Declaration through its Human Rights Policy, Section 2. Endorsement of International Agreement.



Targets and Action Plan

Risks	Opportunities
• Decline in labor productivity, loss of excellent human resources, missed business opportunities, increase in health-related expenses, and other events that would result from failure to take appropriate measures.	• Improvement of labor productivity, health and motivation, securing of excellent human resources, enhanced capability of responding to changes and business opportunities, and other events that will result from providing a motivating workplace environment.

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Business Area	Specific Approach	Performance Indicators (Non-Consolidated)	Degree of Progress
Headquarters	8	Labor Practices	Improving operating efficiency and preventing long working hours through work style reform	Human resources affairs	We will aim to improve labor productivity and employee engagement by promoting varied work styles.	• Conduct regular monitoring of employees' work situations. • Conduct employee engagement survey. • Promote the percentage of taking employee acquiring paid leave.	• Compliance to labor laws. • Rate of positive responses to the "engagement score" item in the engagement survey: approximately 70% • Paid leave acquisition rate at 70% or higher.	• Conducted monitoring of employee's working hours and working environment so as to prevent unpaid overtime work. • The positive answer rate to the "engagement score" in employment survey which conducted in FYE 2025 was 68%, in FYE 2024 was 68%, in FYE 2023 was 67%. • Percentage of taking employee acquiring paid leave; 69% in FYE 2025.

* Percentage of taking employee acquiring paid leave; 52.6% in FYE 2021, 58.8% in FYE 2022, 62.2% in FYE 2023, 64.7% in FYE 2024.

Labor Practices: Employment and Benefits

Structures and Systems

When Group companies in Japan and overseas develop business in their respective domains and regions, the Division Companies of ITOCHU Corporation, the parent company, take the lead depending on the business area. The company presidents secure human resources and put the right person in the right position in accordance with laws/ordinances under the human resource strategy based on the management strategy. Furthermore, ITOCHU supports the creation of a management structure for ensuring that Group companies provide optimal labor environments for their employees.

Risk Assessment for Labor Practices in Business Investments and Financing Projects

When assessing potential investment and financing projects, in addition to economic aspects, ITOCHU uses an ESG checklist to identify and assess key ESG (environmental, social, governance) concerns relevant to the project, which includes topics related to labor practices – e.g. working conditions, occupational health and safety and stakeholder dialogue. We also monitor the progress and performance of our existing investment and financing projects and take necessary measures to make improvements.

For further details, please refer to the ESG Risk Assessment for New Business Investment Projects (P178).

Ensuring Compliance to Labor Standards

At ITOCHU, it is mandatory for employees upon recruitment to complete training on working conditions, which includes issues related to salary, working hours and holidays, occupational safety and health, benefits, and service regulations. We are working to ensure all employees comply with the labor standards of ITOCHU by making them available at all times on the Intranet in both Japanese and English. For domestic and overseas group companies, in addition to supporting the development of optimal work environments, we are also promoting the adoption of labor standards equivalent to ITOCHU standards.

In addition, ITOCHU continues to dispatch HR staff every year to the Tokyo Labor University Lectures held by the Japan Institute for Labor Policy and Training, an affiliated organization of the Ministry of Health, Labour and Welfare. Based on the current situation regarding human resources and labor management in general, including skill development, working hours and compensation, the course systematically teaches the structure of wages, the current issues of the modern labor market with its increasingly diverse employment patterns and the state of labor-management relations from the perspective of labor economics.

Employee Engagement

ITOCHU Corporation believes that continuing to raise the level of employee engagement will improve corporate value.

We conduct an engagement survey* and disclose the result every year to identify and address issues in a timely manner, thereby establishing a PDCA cycle. To assess progress swiftly and accurately on these measures, we report the identified issues, etc. to the management, and decide on new measures and improvements. From this survey, we have identified issues such as “fostering job satisfaction among junior and mid-career employees,” “sharing personnel and ideas beyond the boundaries of organizations,” and “responding to diverse values.” After discussing possible solutions to these challenges at management meetings, we are now implementing concrete key measures. As a result, we have confirmed improvements in the scores of related survey questions. We will continue to promote initiatives aimed at realizing a “challenging but rewarding workplace,” with management and frontline employees working together as one, in order to ensure that employees are proud of working for ITOCHU Corporation, maintain a strong motivation to contribute to the company, and voluntarily seek to deliver results that exceed expectations.

* To ensure objectivity and transparency, this survey is conducted by having respondents answer directly and anonymously to an external contractor with questions such as motivation, happiness, stress, etc. The survey is administered once a year to all employees.

Recent Engagement Survey Score

	FYE 2023	FYE 2024	FYE 2025
Engagement Score	67	68	68

• The score is affirmative response (%)

Promotion of Work-Style Reforms

As a business managed by a small group of people, ITOCHU Corporation believes that employees are its greatest asset, and that individual employees exerting their full potential will lead to improvement in corporate value. Since FYE 2011, we have aggressively promoted work-style reforms as we implement various measures aimed at creating an environment that allows all employees to apply their unique traits and feel secure as they focus on their work.

Labor Practices: Employment and Benefits

Evolving Our Morning-Focused Work System / Managing Work Time

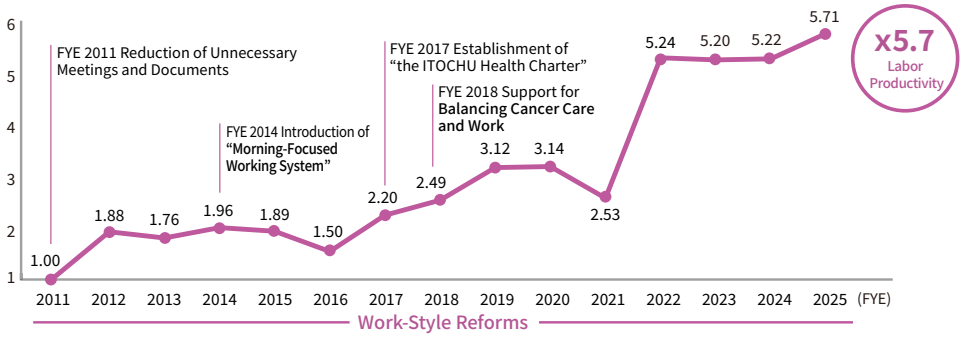
Our morning-focused work system, adopted in October 2013, has promoted workstyles that reflect the ITOCHU philosophy by encouraging a mindset among employees: leaving work early in the evening and coming to work early in the morning leads to more efficient work. This also had a significant impact on society by serving as a positive case study for the government's initiatives related to reducing long work hours.

The results of the employee engagement survey conducted in December 2021 pointed out a need for further initiatives related to supporting diverse workstyles. In response, in May 2022 we adopted a morning flex-time structure. We also adopted telecommuting. These initiatives allow early work start and end times, enabling them to dedicate their free time to self-improvement, child care, and family care. These initiatives help increase motivation and lead to improvements in work productivity and in our corporate value.

In addition to ensuring compliance with labor union agreements and relevant laws, we will promote further work-style reforms as a method of reducing total work hours.

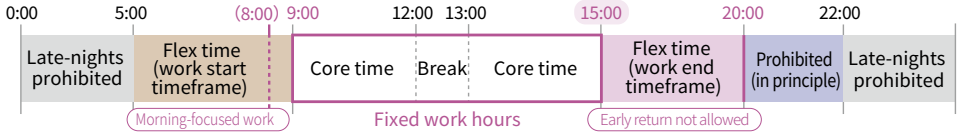
ITOCHU believes its initiatives as a pioneer in work-style reform will both empower individual employees to change their approach to work, and promote balanced operational reforms. In this way, the Company is striving to achieve a work environment that enhances operational effectiveness, helps maintain and improve employee health, support the activities of employees who face time constraints from raising children or caring for family members in poor health and allows a more diverse set of employees to make full use of their capabilities.

■ **Change in Labor Productivity with FYE 2011 as a Value of 1**



Outline of Initiatives

■ **Morning-Focused Work System Diagram**



- In principle, prohibit work between 8:00 pm and 10:00 pm and shift any remaining work to the next morning. 5:00 am to 8:00 am is the recommended timeframe for starting early morning work.
- For employees who start work before 7:50 am, up to 9:00 am pay the same overtime rate (25%) as employees who work overtime as an incentive.
- Work between 10:00 pm and 5:00 am is prohibited.
- We distribute three snacks to employees who arrive at work before 8:00 a.m.



Morning light meals distribution



Morning light meals distribution

Balancing Work with Childcare and Nursing Care

ITOCHU Corporation goes above and beyond the requirements of the law to arrange programs that help employees, regardless of gender, to balance work with childcare and nursing care. This allows the employees to continue making full use of their skills during their careers at the company, while remaining confident that they can handle stages of life where they must take care of children or elderly family members at home. In FYE 2017, in addition to introducing a lactation space, we introduced a telecommuting program for employees who meet certain conditions . Eligible employees include those with time constraints due to childcare or nursing care obligations, as well as those who face difficulty making the commute to work due to pregnancy, illness or other such reasons. We expanded the program to make all employees eligible starting in May 2022.

The number of male employees wishing to take childcare leave has been increasing, with the allowance for balancing childcare and work* introduced in FYE 2023 being a key driver. In response, after discussing in Women's Advancement Committee, ITOCHU has made it mandatory for male employees to take childcare leave (paid leave), starting from FYE 2025. As a result, childcare leave acquisition rate of male employees for FYE 2025 was 100%. In addition to improving the job satisfaction of male employees, we believe that encouraging male employees to participate in childcare will foster a corporate culture that respects diversity and will lead to further support for female employees.

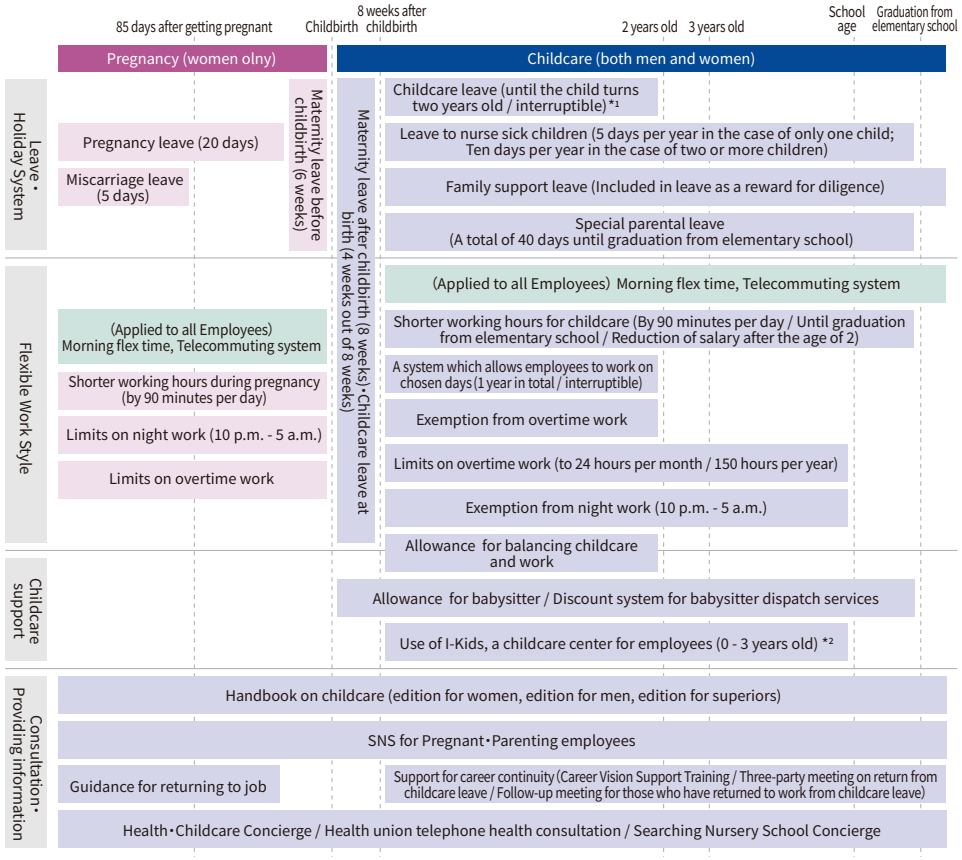
In addition, we continue to hold nursing care seminars every year in light of the fact the importance of preparing for nursing care has also become a social problem. At the same time, we introduced a service to provide nursing care information online in FYE 2018. We then introduced a one-stop nursing care assistance service to meet the needs of those seeking advice in April 2019.

* A certain amount of allowance to subsidize for the extra cost (childcare cost, etc) in case an employee takes more than 4 weeks of childcare leave and returns to work before the child turns 1-year old.

Labor Practices: Employment and Benefits

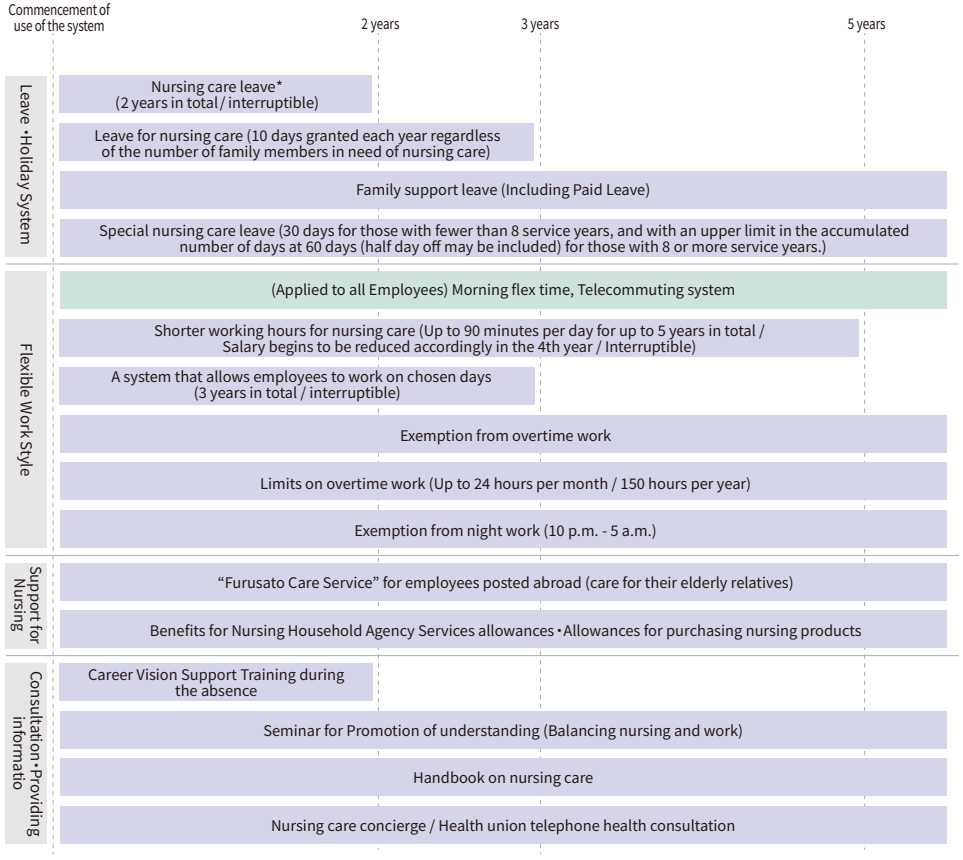
Support Programs for Balancing Work with Childcare and Nursing Care

■ Support for Childcare



*1 Among the systems for taking time off or leave, only Childcare leave is unpaid. All other types of leave are paid.
*2 Temporary childcare services are available until the child reaches school age.

■ Support for Nursing Care



* Among the systems for taking time off or leave, only Nursing care leave is unpaid. All other types of leave are paid.

Use of Childcare and Nursing Care Programs★

For details, please refer to ESG Data (P197).

Labor Practices: Employment and Benefits

Reemployment System

If an employee who chose to leave the company wishes, he or she can register with our reemployment system for five years. During the registration period, we devise ways in which to keep that employee in contact with our company. For example, we bear the cost for self-improvement and send corporate information.

Reemployment System
5 years

ITOCHU Kids Day for Visiting Mom and Dad at Work

Since 2014, we have regularly invited employees' elementary-age children to ITOCHU Kids Day for Visiting Mom and Dad at Work. The children come to work early in the morning with their parents, and participate in the event after eating a morning snack provided by the company. This event gives them an experience of morning-focused work. We also provide business cards personalized with their names made especially for the event, which they use exchange with their parents' colleagues. They also attend a mock meeting in the executive meeting room and eat lunch in the employee cafeteria. These activities provide the children with a deeper understanding of the company where their parents work. The response from employees has been very positive for instilling an interest in what the children's parents do at their job and for sparking a desire to work at ITOCHU in the future. As we consider this an incredibly meaningful event for building family bonds and teaching children about ITOCHU, we plan to continue holding it.



Demonstration of Drone at ITOCHU Kodomo Domannaka Week

Since 2023, ITOCHU has been holding a workplace after-school program I-SUMMER School as ITOCHU Kodomo Domannaka Week (translates to a week dedicated to children at the very core). With the increasing demand for high-quality after-school programs, we set up a program during August, which is the school summer break, where the children can experience ITOCHU's original work-style reform, the morning-focused working system, working in office, and learn about ITOCHU's business, history, and global mindset through ITOCHU's original contents. This program is not limited to the children of ITOCHU employees but extends its reach to students from neighboring community, strengthening our ties with the local community. Since 2024, we have held I-SPRING School in March during school spring break. We have accepted around 580 children in total including children from the neighboring school. We will continuously strive to work towards creating a society where children can grow healthily and happily.

Employee Benefits

ITOCHU Corporation employs a variety of welfare facilities and schemes to stimulate communication between employees and provide opportunities for exchange. Stimulating communication helps foster a sense of belonging and job satisfaction in individual employees. It also helps to invigorate the organization as a whole.

Employee Cafeteria

At ITOCHU Corporation Tokyo Headquarters, we have a cafeteria with a capacity of up to 870 seats, making it possible for over 1,000 employees on average to use the cafeteria.

We have taken steps to make the cafeteria a more attractive space for employees. With the aim of promoting employee health, we provide options such as Gram Deli, Power Salad, and vegetable dressings to encourage increased vegetable intake. We also offer set meals and side dishes aligned with monthly health themes. Additionally, we organize health events as part of our continuous efforts to enhance health awareness. We have revised our menus based on employee feedback as well. Furthermore, we offer a seasonal event menu every month to make coming to the cafeteria fun. We also provide collaborative menus so that employees can easily enjoy the taste of famous restaurants in the cafeteria. The employee cafeteria is used by many employees.

* Can be used by both full-time and part-time employees

Cooldown Rooms

In June 2012, ITOCHU Corporation introduced Cooldown Rooms on the first floor and first basement floor of its Tokyo Headquarters. These rooms seek to help beat the summer heat by keeping visitors comfortable inside the building and giving employees a comfortable place to work. To help fight global warming and save electricity in summer when demand for power is high, ITOCHU stipulates that air conditioners in the building not be set lower than 28 degrees Celsius. However, the Cooldown Rooms have lower ceilings than other rooms and can be cooled more efficiently. Cool air is supplied at 15 degrees Celsius to keep room temperature below 20 degrees. This makes them great spaces for visitors to the building and employees returning from sales activities to cool down on hot summer days. We also established a permanent history exhibition corner titled "ITOCHU History" so that many people can learn about the founding principles of our company while effectively utilizing the Cooldown Rooms.

* Can be used by both full-time and part-time employees

Labor Practices: Employment and Benefits

Shower Lounge and Shower Room

In the summer of 2016, ITOCHU installed a shower lounge on the third floor of our Tokyo Headquarters, and a shower room on the second basement floor. Their goal is to help create a workplace environment that encourages job satisfaction. The seeds of this idea were accounts from employees who often found airport shower rooms crowded when returning from business trips on early morning flights. In response to this feedback, ITOCHU established shower facilities at Headquarters so that employees returning from business trips can be more comfortable as they begin work. The facilities are equipped with overhead shower heads, which warm the body quickly in winter, and amenities like towels, hair driers, shampoo, and conditioner. The facilities have been well received, with employees reporting they are able to work in comfort. The facilities now stay open longer and can also be used by employees who exercise to improve their health. They are also open to employees of affiliate companies.


The state of the headquarters shower lounge

* Can be used by both full-time and part-time employees

The Men's Dormitory

In March 2018, ITOCHU Corporation opened the Hiyoshi Dormitory in the Kohoku ward of Yokohama, Kanagawa prefecture. The dormitory has approx. 360 units to house unmarried employees. It brings together unmarried male employees who had been scattered across four locations in the Tokyo Metropolitan area. The design concept for the dormitory is "under the same roof," as opposed to positioning it as a mere welfare facility. Accordingly, it is equipped with a variety of common areas designed to bring residents together and deepen communication across boundaries like age and department. These include a dining room with shared kitchen, a multi-purpose meeting room, a large bathroom with a sauna, and communication spaces on each floor (including study areas and an open terrace). This contributes to human development through internal networks, and the preservation of our culture.

The dormitory is aiming to create an environment in which employees voluntarily reform their work-styles and improve their health based on the corporate policies such as health management. For example, it serves nutritionally balanced breakfasts and dinners in the cafeteria, it provides exercise opportunities in partnership with a nearby fitness club, and it prohibits smoking throughout the building, including private rooms, except in designated smoking areas.

Moreover, this dormitory is designed to function as a secondary office for the Tokyo Headquarters and is vital to our business continuity plan (BCP) for disasters. It uses the same Internet environment as our offices, and we have installed emergency generator equipment. We have also stocked the dormitory with food, water, emergency supplies and other items.

* Intended for full-time employees and some full-time employees from affiliated group companies.

The Hiyoshi Dormitory
Offering Approx. **360** Units

The Women's Dormitory

In March 2025, ITOCHU Corporation completed the integration of its two existing women's dormitories in the Tokyo metropolitan area into a newly constructed facility along the Denen-Toshi Line in Miyamae Ward. Guided by the Under One Roof concept, the new dormitory is designed to be a hub for internal networking and talent development, aiming to deepen vertical, horizontal, and diagonal communication across generational and departmental boundaries. To facilitate this, shared spaces such as a relaxation lounge, an open terrace, and a communal kitchen have been incorporated to promote interactions among residents. Additionally, from the perspective of advancing health management, the dormitory features high-quality bedding to enhance the quality of sleep. These initiatives create an environment where employees beginning their careers at ITOCHU can fully focus on their work.

The facility is environmentally friendly, supporting decarbonization efforts by using timber for the majority of its structural elements, such as columns, beams, and seismic walls (excluding joints), reducing CO_2 emissions by 458 tons compared to steel construction. Despite its primarily wooden structure, it meets fire resistance standards equivalent to those of steel and reinforced concrete buildings, ensuring safety and security. Additionally, the residential block has been recognized as a model project in the FYE 2024 Sustainable Building Leading Projects (Wooden Construction Category) program for its role in increasing awareness of advanced wood construction technologies used to build housing and commercial buildings. The communal building is also wooden construction, creating a warm and natural atmosphere.

* Intended for full-time employees.

SOGO-KAI Associations

SOGO-KAI associations are groups where fellow employees can assemble to enjoy the same sports or cultural activities. Spreading out from Tokyo and Osaka, there are more than thirty such associations active within the company nationwide. They boast a combined membership of more than 1,000 employees. The associations are not limited to current ITOCHU Corporation employees. Many former employees and Group company employees also take part. These associations use sports and cultural activities to promote exchange and communication across different generations and organizations.

* Both full-time and part-time employees can join

Extracurricular Activities
Approx. **20** Associations

Participating Employees
more than **1,000** employees

Performance Data

- Employee Status (as of March 31 for each respective year) (P195)
- Employees by Operating Segment (as of March 31, 2025) (P195)
- Overseas Bloc Employees by Region (as of March 31, 2025) (P195)
- Average Years Employed and Voluntary Resignation Rate (Non-Consolidated) (P195)

Average Years of Service
18.0 years

Voluntary Resignation Rate
1.6 %

Labor Practices: Labor Union

Policy and Basic Concept

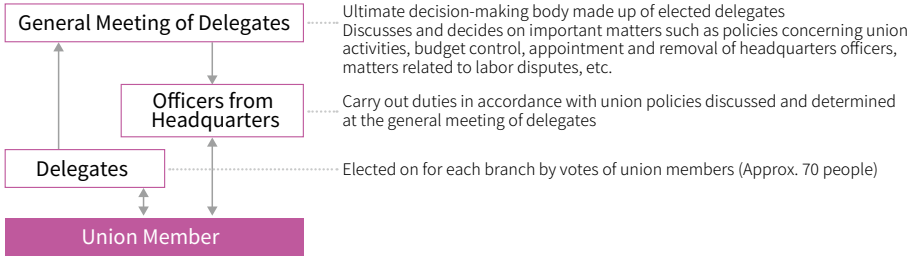
ITOCHU Corporation strives to achieve an environment in which employees can leverage their individual talents and concentrate on their work without worry. To this end, we maintain a system of rich employee benefits and employee welfare facilities. Our original employee welfare measures include a morning-focused work style and health management. These have met with praise both inside and outside the company, and have contributed to increased employee motivation.

ITOCHU has established a labor union with which we hold constructive discussions to improve the working conditions as well as economic status of its constituents.

Structures and Systems

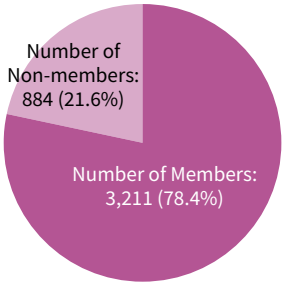
ITOCHU Corporation has had a labor union since its founding. The objective of the Labor Union is to improve labor conditions and enhance the economic status of its members. The Labor Union carries out all required operations to fulfill this objective.
(Article 3, Rules of the ITOCHU Labor Union)

- Headquarters: General meeting of delegates and officers at headquarters
- Branch: Four branches (Tokyo, Osaka, Nagoya, Tohoku)



The company is prohibited from taking any of the following actions:

1. Providing disadvantageous treatment to a worker because the worker is a union member, or on similar grounds
   Example: Discharging or transferring a worker because the worker has gone on strike as a union member, or on similar grounds
2. Refusing to bargain collectively without justifiable cause
   Example: Refusing to come to the bargaining table or sending someone without authority as a representative to attend a collective bargaining session as a representative
3. Interfering with or providing financial assistance for the organization or operation of a labor union
   Example: Interfering with or interrupting the union's events or providing financial support for union operational expenses
4. Providing disadvantageous treatment, such as dismissal, to a worker in response to an allegation made by the worker to the Labor Relations Commission
   Example: Providing treatment, such as dismissal or wage reduction, to a worker in response to an allegation made by the worker to the Labor Relations Commission, or to a similar action by the worker



Ratio of ITOCHU Labor Union Members as of April 1, 2025

Initiatives Together with ITOCHU Labor Union in FYE 2025

June 2024	Account Settlement Council with CFO
July 2024 to December 2024	Labor-management negotiations regarding the revision of personnel management system
October 2024	Management Council with CFO
December 2024	Management Council regarding the revision of personnel management system and expenses with CAO and CSO
December 2024	Management Council with the President of Machinery Company
April 2024 to March 2025 (Monthly)	Health Committee

Activities by the Headquarters of the Labor Union in FYE 2025

April 2024 to March 2025 (Twice a Week)	General Meeting of Officers
April, June, September 2024, January, March 2025	General Meeting of Delegates
September 2024, March 2025	Three Officers Meeting from Each Branch
April 2024 to March 2025	Parents' meeting of union members: 10 times Administrative track union members' meeting: 5 times

Labor Practices: Labor Union

Comments from the ITOCHU Labor Union President



Aki Okuyama
President,
ITOCHU Labor Union

My name is Aki Okuyama. I will serve as the ITOCHU Labor Union President in FYE 2026.

I am fully committed to working towards achieving three missions I value most: To protect union members, to improve the company, and the mission I adopted last fiscal year, to create opportunities.

This fiscal year, I want to focus on the following five points.

1. Dialogue and checks with management, and promotion of opened culture
2. Realization of updated wage and personnel systems
3. Encourage autonomous career development and a free and creative working environment
4. Support to maintain Work-Life Balance of parents, and support for employees' well-being
5. Support for secondees, expatriates, and union members working at branch offices

I will do my best this fiscal year to make this a company where all union members can work with enthusiasm.

The missions, action guidelines and vision of the labor union is as below.

- **Missions (= the Purpose of the Union and the Values Forming the Basis of Our Activities):**
  Protect union members; Improve the company; Create opportunities
- **Action Guidelines (= the Key Phrases We Value in Our Daily Work):**
  - Stay Ahead: Proactively adopt advanced concepts and work styles to ensure the organization constantly strengthens
  - Engage in Dialogue: Conduct proposal-based and joint development-based activities while emphasizing dialogue with union members and management
  - Be Reliable: Build a relationship of trust with union members and use that as the basis to perform activities with a sense of unity



- **Vision (= Ideal Future State):**
  We are aiming to achieve a virtuous cycle of corporate management by improving the labor environment and the economic status of our members.
  ((1) An improvement in the labor environment thanks to the activities of the union accelerates the virtuous cycle of (2) active participation by union members, (3) improved company performance, (4) improved employee treatment, (5) improved morale and then back to (2) again)

Dialogue with the Labor Union

ITOCHU Corporation discusses a wide range of issues with the ITOCHU Labor Union in order to achieve our corporate mission "*Sampo-yoshi*." In FYE 2024, we held management meetings: an account settlement meeting and a management meeting with the CFO, Collective bargaining session about the revision of the personnel system with CAO and CSO, and a management meeting with the President of the Machinery Company. Recurrent, active discussion between labor and management makes both cognizant of the challenges facing the company and keeps them on the same page. This builds a healthy relationship that enables them to consider and implement measures for improvement. In May 2025, we held a management council meeting with the Chairman & CEO, where we exchanged opinions based on management perspectives and feedback from the field.

Dialogue the Chairman & CEO and the President & COO

ITOCHU proactively establishes opportunities for the President and employees to engage in direct two-way dialogue. In FYE 2024, we proactively engaged in dialogue with employees by creating opportunities to connect with employees, including visits to local plants and offices. The President had the opportunity to speak with employees directly in his own words about our management policy and effort needed to achieve that vision. At the same time, employees had the opportunity to present opinions and questions to the Chairman & CEO and the President & COO. These were important opportunities that helped enhance two-way communication.

Dialogue with the Division Company President

ITOCHU proactively establishes opportunities for the company president and officers to engage in dialogue with employees. Normally, all the employees under the control of an organization are gathered together once every half a year. The top management of that organization then speaks in their own words about the company-wide management policy, organization targets and strategies toward target achievement. It is possible for employees to give their opinions and ask questions at these dialogue meetings. These are valuable opportunities for all employees, including the top management, to think about what we should personally do to further grow the organizations to which we belong.

Labor Practices: Diversity

Policy and Basic Concept

ITOCHU Corporation views diversifying consumer needs with a market-oriented approach. We believe accepting and utilizing diversity (DE&I: Diversity, Equity, and Inclusion) is essential to provide new value.

ITOCHU respects human rights and prohibits all forms of discrimination, including that based on race, gender, religion, nationality and age. We are creating an environment where employees do not fall victim to power harassment, sexual harassment, or SOGI (Sexual Orientation and/or Gender Identity) harassment in the workplace and where we accept diverse values. This is an environment where each of our employees is motivated to work and can demonstrate their abilities to the fullest through flexible work styles and individual support to achieve “A Challenging but Rewarding Company.”

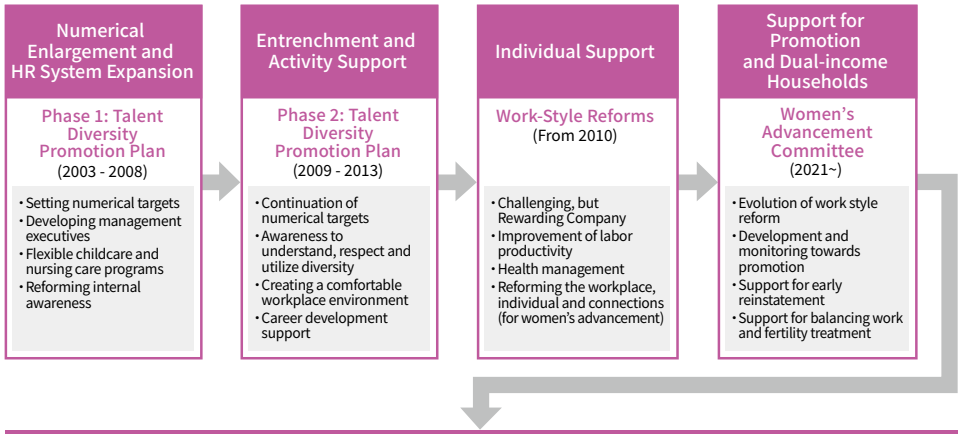
Targets and Action Plan

Division Company	SDGs Targets	Impact Classifi-cation	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators (Non-Consolidated)	Degree of Progress
Headquarters		Labor Practices	Creating an environment that allows diverse human resources to exercise their potential	Human resources affairs	We will prohibit all types of discrimination, including those based on race, gender, religion, nationality and age, and respect human rights. We will accept diverse values and create an environment where each employee maximize their ability with flexible working style and other supports.	• Continue fair and equitable recruitment and promotion. • Create a work environment in which employees accept and leverage diverse values. • In anticipation of an increase in dual-income couples, enhance support for balancing childcare, nursing care, fertility treatment and similar circumstances with work (including utilization of flexible working style). • Expansion of individualized support tailored to employees’ life stages and career development. • Support for the active contribution of senior personnel over the age of 60. • Promote understanding and acceptance of LGBTQ and other sexual minority employees (e.g., employee education). • Give reasonable consideration to the work environment of employees with disabilities.	• Achieve the following plans by Year 2030. (1) Female board of directors (including executive officers) as a percentage: 30%. • Achieve the following plans by FYE 2026. (2) Female employees as a percentage of workforce: 30%. (3) Female employees as a percentage of new employees: More than 40%. (4) Female employees as a percentage of employees in managerial positions: 10%. (5) Percentage of male employees who take childcare leave: 100%. • Achieve the following plans as of March 2025 (6) The percentage of employment of those with disabilities over our entire group: 2.5% (Includes ITOCHU Uneedus Co., Ltd. and ITOCHU Human Resources & General Affairs Services Inc.). *(1) to (5) are stipulated in the General Employer Action Plan under the Act on Promotion of Women’s Participation and Advancement in the Workplace.	(1) Females Officers(including Executive Officers) as a percentage of all Officers: 21% as of March 2025. (2) Female employees as a percentage of workforce: 26% as of March 2025. (3) Female employees as a percentage of new employees: 39% in FYE 2025. (4) Female employees as a percentage of employees in managerial positions: 9.0% as of March 2025. (5) Percentage of male employees who take childcare leave: 96% as of March 2025. (6) The percentage of employment of those with disabilities over our entire group: 2.42% as of March 1, 2025 (Includes ITOCHU Uneedus Co., Ltd. and ITOCHU Human Resources & General Affairs Services Inc.). *(1) to (5) are stipulated in the General Employer Action Plan under the Act on Promotion of Women’s Participation and Advancement in the Workplace • Introduced the following measures as a result of discussions at the Women’s Advancement Committee • Made it “mandatory” for male employees to take childcare leave (paid leave) • Accelerated Women’s Advancement (Special Appointment of Female Executive Officers, Development of Potential Candidates for Management Positions, Individual Support for Overseas Assignments) • Enhanced the utilization of femtech (e.g. subsidize for egg freezing fee and infertility treatment) • Renamed “Clerical Staff” to “Business Expert (BX).” • Strengthened Career Continuation Support (Childcare Support Allowance for Early Return to Work until the child reaches the age of 2) • Furthermore, in 2025, completed the integration of its two existing women’s dormitories in the Tokyo metropolitan area into a newly constructed facility. The dormitory is used as a platform for internal networking and talent development.

Labor Practices: Diversity

Initiatives for Women's Advancement

ITOCHU Corporation has expanded systems to further the diversification of its talent including female employees and to entrench that diversification with the Plan for Promotion of Human Resource Diversification. We have tackled initiatives such as morning-focused work, health management and measures to support working while undergoing cancer treatment since FYE 2011. This is based on work-style reform to raise labor productivity by all employees working in good health with high motivation. Those initiatives have led to the formation of a working environment where not just employees with time constraints, but all our employees, regardless of gender, can demonstrate their abilities.



Support for Promotion and Dual-income Households (major initiatives implemented since 2022)

Proactive Career Development Support ("BX" Role HR System Revision)
The "Clerical Staff" has been renamed to "Business Expert (BX)." Employees acquire specialized knowledge and skills related to administrative operations in a general trading company, playing a key role in organizational management while contributing to the enhancement of corporate value through their expertise.

Utilization of Femtech
To address the increasingly diverse health issues unique to women and to promote both productivity and greater understanding among employees, an internal Femtech Exhibition was held in August 2023. Approximately700 employees attended to deepen understanding of femtech-related topics. Starting in February 2024, we expanded our individualized support measures, including subsidies for egg freezing and infertility treatments incurred during overseas assignments.

Support for Balancing Work and Childcare
In 2022, a new support system was implemented to support employees who wish to return to work soon after childbirth, regardless of the timing of nursery school enrollment. Under this system, an allowance for balancing childcare and work is provided to employees—regardless of gender—who return from childcare leave within one year. In 2023, we launched a workplace after-school childcare program, and as of April 2024, we have made it mandatory for male employees to take childcare leave, further strengthening our support for work-life balance.

Moreover, we established the Women's Advancement Committee in October 2021 as a voluntary advisory committee of the Board of Directors to accelerate the pace of our support for the success of female employees. An Outside Director serves as the chair of the committee. We have built a structure in which outside officers account for more than half of the total number of committee members with the Board of Directors supervising important measures. The committee is working together with the management to support the success of women. We will continue to move through the PDCA cycle of (1) hold discussions with sites, (2) hold discussions in the Women's Advancement Committee and (3) report to the Board of Directors after grasping sites and individual circumstances in the future. We will then incorporate the results into effective measures.

In December 2023, based on the recommendations of the Women's Advancement Committee, we established a special measure applicable exclusively to women for appointment as Executive Officers. This measure was approved by the Board of Directors, to promote the appointment of female Executive Officers starting in FYE 2025. As a result, five female employees were internally appointed as Executive Officers as of April 1, 2024, and another five as of April 1, 2025. Consequently, the proportion of women among all officers, including Executive Officers, has reached 28%. Aiming to increase the ratio of female officers to 30% by FYE 2031, we are committed to fostering a diverse, strong, and resilient corporate culture.

With the promotion of digital transformation (DX) and the advancement of internal management, the environment surrounding clerical work has significantly changed. Following discussions by the Women's Advancement Committee in FYE 2025, chaired by an external director, and the Management Committee, we have reaffirmed the importance of clerical staff and their role as the organizational hub. Therefore, we have changed the job category name to Business Expert (BX) starting in April 2025. We will further strengthen recruitment of new graduates and experienced professionals regardless of gender and promote proactive career development focused on specialization while expanding support for continuous learning to enhance specialized knowledge and skills.

Organizational Hub
BX
Business Expert

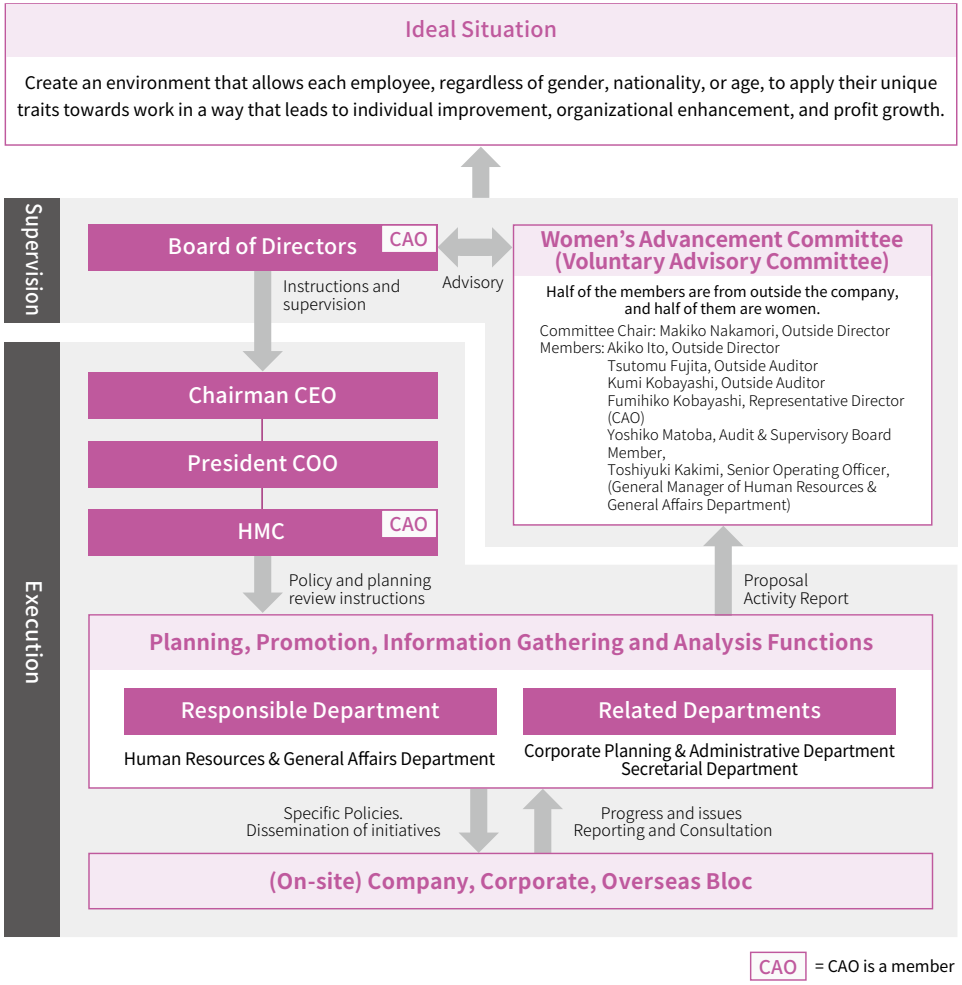
Currently, the generation with an increased number of female hires has entered an important stage when those employees are becoming candidates for managerial positions. We are providing meticulous individual support according to the life stage and career of each employee by utilizing systems which support a work-life balance beyond the level required by law as a safety net in anticipation of an increase in dual-income households. In 2025, we completed the integration of its two existing women's dormitories in the Tokyo metropolitan area into a newly constructed facility. We use the dormitory as a platform for internal networking and talent development. Additionally, we are looking to contribute to the SDGs (e.g., gender equality) not only for our company but also for Japan. We are doing this by fostering an internal culture in which diverse employees can be a success and by declaring our endorsement of measures to promote the success of women in the workplace by government agencies and economic bodies.

Please refer to our action plan stipulating specific targets and initiatives moving forward.

- Action Plan Based on the Act of Promotion of Women's Participation and Advancement in the Workplace and the Act on Advancement of Measures to Support Raising Next-Generation Children (https://www.itochu.co.jp/en/csr/pdf/action_plan.pdf)

Labor Practices: Diversity

■ **Structure for Women's Advancement (As of July 2025)**



Encouraging Women's Empowerment in the Workplace

ITOCHU Corporation established a new rule for selecting female executive officers and promoted five female employees from within to executive officers in April 2024. The most significant reason behind internal promotion was the need to raise awareness that the promotion of women itself is not the sole purpose, but cultivating a company-wide culture of training female managers and executives is. A diverse, strong, and resilient corporate culture and Board of Directors cannot be created overnight but will take years to develop.

ITOCHU positions Femtech to be the next initiative following work-style reforms. ITOCHU aims to be a company where female employees can take a more active role by removing barriers that may come in their way.

I believe, in such a company, anyone, regardless of gender, will be able to demonstrate their full potential.



Masahiro Okafuji
Chairman & CEO

Labor Practices: Diversity

Promoting Understanding and Fostering a Positive Work Culture

Since FYE 2019, ITOCHU Corporation has been holding Diversity Week as one of the initiatives to promote understanding and acceptance of diversity. ITOCHU has also increased the frequency of awareness campaigns targeting all employees. Through executive training programs and other initiatives, we are promoting understanding of the importance of diversity and support systems.

Additionally, we are establishing a workplace environment where discriminatory remarks about sexual orientation/gender identity and comments premised on unconscious gender stereotypes are not tolerated. Employees also have access to consultation services.

In FYE 2024, the Women's Advancement Committee (an optional advisory committee to the Board of Directors) organized an event with the participation of executives from BHP Group Limited, our important partner and a world-leading resource company. The purpose of the event was to share about BHP's Inclusion and Diversity Journey and exchange ideas to truly achieve gender equity in the business environment. A total of 120 employees participated in the event, aiming to deepen their understanding of how DE&I contributes to business innovation and the positive impact on organizations that comes with an increased proportion of female employees.



Co-hosted event with BHP to conduct a dialogue on diversity

In FYE 2025, we held several seminars on the theme of utilizing Femtech, focusing on topics such as egg freezing and menopause support, with participation from over 100 employees. Additionally, to promote understanding of Femtech, we installed Femtech-related product vending machines called Femtech-kun®—offering items such as menstrual products, health and femcare goods, fertility support items, and menopause-related products—at our Tokyo Headquarters and ITOCHU SDGs STUDIO starting in August 2024.

For seminar details, please refer to P198.



Vending machine for Femtec-related products

Support for LGBTQ and Other Sexual Minorities

We installed a multipurpose restroom on the internal meeting room floor in 2018. This can be used by everyone who visits our building as well as our employees. We also established an external consulting desk exclusively for inquiries relating to LGBTQ and other sexual minorities in addition to our existing employee consulting desks in FYE 2021. This means we have set up a structure that allows employees to consult with experts anonymously about how to interact with colleagues and business partners in addition to handling inquiries from LGBTQ and other sexual minority employees.

During FYE 2025's ITOCHU Diversity Week, we conducted workshops aimed at fostering a workplace environment where diverse values are respected, and all employees can fully demonstrate their abilities. These workshops focused on deepening understanding of LGBTQ issues and balancing childcare and work, from the perspective of those directly affected. As part of the initiative, we distributed ALLY stickers and worked to strengthen internal support systems.

Additionally, in leadership training sessions, we administered a quiz to approximately 700 organizational leaders, using topics such as LGBTQ and Femtech to raise awareness. The training also covered themes of unconscious bias and human rights.

Examples of Support for LGBT and Others 1.
Installed Multipurpose Restrooms (FYE2019)

Examples of Support for LGBT and Others 2.
Established a Consulting Desk for LGBT and Other Sexual Minorities (FYE2021)

Labor Practices: Diversity

Diverse External Support Programs

We respect the diverse values of our employees and their families. We are creating an environment where all our employees can demonstrate their abilities with peace of mind.

Program	Category	Overview
Concierge for health・childcare	Health, Childcare	Employees in Japan and abroad and their families can anonymously consult online with a counselor in charge (a nurse and a midwife certified as a public health nurse) who understands ITOCHU System about their mental and physical health and childcare concerns.
Sick childcare and babysitter services	Childcare	ITOCHU contracted with sick childcare and babysitter services, available for reservations 24 hours a day, 365 days a year, including same-day emergency requests. The service can also be used during business trips. Additional financial support is provided to help cover the costs.
Searching Nursery School Concierge	Childcare	Explains basic knowledge about how to search and select licensed nursery schools. Help to estimate the selection index for licensed nursery schools, lists neighboring nursery schools, and provides one-stop information.
Nursing Concierge	Nursing	A one-stop service and consultation service from temporary response to problem resolution by our company specialist counselor. Specific problem resolution includes introduction of our company system, introduction and arrangement of care managers, introduction and arrangement of nursing homes, coordination and arrangement of nursing insurance applications, etc.
Frozen Egg Bank	Egg Freezing	To support employees' options in balancing career and life plan, from FYE 2024, ITOCHU started subsidizing egg freezing fee. With the ITOCHU partnered bank, employees and their partners can consult and freeze their eggs using ITOCHU customized price.
Consultation desk for LGBTQ	LGBTQ	Consult outside experts anonymously for concerns about sexual orientation and gender identity. Available to all parties.
Border - Less Medical Concierges	Lifestyle Disease	Each employee, whether domestic or foreign, is tutored by a public health nurse or nurse in close collaboration with a specialist in their particular lifestyle disease.

ITOCHU Corporation utilizes Femtech to solve the diversified health issues women face as well as to increase employee productivity and raise awareness regarding women's health issues. From FYE 2023, we have been promoting Femtech as part of Virtual Office project. In August 2023, approximately 700 employees visited the "ITOCHU Femtech Fes?!" exhibition, and through the explanations of Femtech products (around 40 products) and speech given by an expert in the field, we made Femtech known to the participants as something familiar.

In February 2025, we held the event "ITOCHU Femtech Junction!" During the event, a special exhibition titled "Period Museum – Exploring the Intersection of Menstruation and Society" was showcased in the exhibition area of the ITOCHU SDGs STUDIO. Through this exhibition, we communicated to both internal and external audiences the importance of recognizing women's life challenges as their own issues.

* Please refer to Human Resources Development -Virtual Office for details (P142).

Working Together with Persons with Disabilities

To provide persons with disabilities with a workplace that is motivating and rewarding, we established ITOCHU Uneedus Co., Ltd., in Yokohama, Kanagawa Prefecture in 1987(It was certified by the Ministry of Health, Labor and Welfare as the first special-purpose subsidiary in Kanagawa Prefecture.) The employment rate for persons with disabilities in ITOCHU Corporation is 2.42% as of March 2025. We are promoting an expansion in the recruitment and range of work of persons with disabilities toward the increase in the statutory employment rate.

Initiatives by ITOCHU Uneedus Co., Ltd.

ITOCHU Uneedus Co., Ltd. is involved in businesses such as dry cleaning, printing, document digitization, photograph services, mail collection and delivery, and laundry and cleaning with persons with and without disabilities coming together as one to support each other. To expand business as well as to create a more welcoming workplace environment for employees with disabilities, in November 2015 the company relocated to new offices in Yokohama's Tsuzuki Ward with the extensive equipment in a universal design. The company is currently involved in business in locations: its Aoyama Office, Hiyoshi Office and a dry-cleaning service store called Yotsuba Cleaning (Asahi-ku, Yokohama) in addition to its head office in Yokohama's Tsuzuki Ward. Furthermore, from September 2024, the company opened the Yotsuba Cleaning second store in Kohoku Ward, Yokohama City, and from January 2025, it also started the employment transition support business in Sumida Ward, Tokyo. It will continue to proactively encourage social participation by people with disabilities and to provide value to society through its work with the aim of creating a work environment where it is possible to feel the joy of working in the future.



Head office building of ITOCHU Uneedus Co., Ltd. (Tsuzuki-ku, Yokohama)

• http://www.uneedus.co.jp/ (Japanese only)



Work in the cleaning department



Work in the print service department

Labor Practices: Diversity

Support for Seniors' Success



Online Japanese Lesson taught by our former employees for overseas national staff.

ITOCHU Corporation employs all those who so desire under the Employment Extension System after they reach retirement age at 60 years old from the perspective of the decreasing birthrate and aging population in Japan and activity support for diverse personnel. This means we are developing an environment in which post retirement employees can continue to work utilizing the wealth of knowledge and experience they possess even after they have reached the retirement age. We also hold training for employees at the age of 58 years old and future course selection briefings for employees. Therefore, we are supporting work styles and money plans after the extension of the employment of employees. Furthermore, we hold career design training for employees between 48 to 55 years old. Those employees take an inventory of their own career and skills and then visualize their experience and strengths. Upon that, we provide them with the opportunity to consider re-learning career skills (re-skilling) they will need in the future. We even have some employees who continue working with us after they reach the age of 65 years old. We will do yet more to create an environment where post retirement employees can continue performing motivating and rewarding work. In addition, we have built a platform to support our former employees. We support the activities of our former employees even after they have left our company. This initiative includes providing opportunities for social contribution activities, Pro bono, and volunteers, management staff of KIDS PARK operated by our company, and Japanese language instructors for our overseas local staffs.

Performance Data

- Number of Hires by Gender and Adoption Rate for Mid-Career (P196)
- Employee Status (as of March 31 for each respective year) (P195)
- Share of Women in Career-track / Managerial / General Managerial / Executive Positions (as of March 31 for each Respective Year) (P196)
- Gender Pay Gap (as of March 31, 2025) (P196)
- Use of Childcare and Nursing Care Programs (P197)
- Employment of Disabled Persons (as of March 1 for each Respective Year) (P197)

Accolades for ITOCHU Corporation

ITOCHU Corporation's initiatives in creating environments that bring out the best in employees have won much praise.

We won the Ministerial Award for Women Empowering Companies in FYE 2021. In FYE 2022 and FYE 2024, we were selected as a Nadeshiko Brand. This is an initiative run jointly by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

In FYE 2025, we were recognized as a Next Nadeshiko: Companies Supporting Dual Careers and Co-parenting, an award that selects outstanding listed companies excelling in gender-inclusive work-life balance support.

In January 2025, we received the Excellence Award in the Tokyo Metropolitan Government Women's Participation Promotion Award (Corporate Category) in recognition of our community-engaged workplace-based after-school care initiatives and the implementation of a morning-focused flextime system.

For more details, please refer to Evaluation by Society (Diversity) (P248-249).



Nadeshiko Brand Awards Ceremony



Tokyo Women's Empowerment Award Ceremony

Human Resources Development

Policy

In order to achieve the group's corporate philosophy of "*Sampo-yoshi,*" one of the three important measures to enhance our corporate brand value is reinforcement of human capital. By reinforcing human capital, ITOCHU aims to pursue further labor productivity and sustainably enhance our corporate brand value. Emphasizing a market-oriented perspective, ITOCHU will listen to the voices of the market, society, and consumers and focus on implementing the following measures:

1. Securing Excellent Talents by Leveraging the Advantage in Recruiting Market

In order to achieve higher results with fewer employees compared to other companies in the same industry, ITOCHU will secure outstanding human resources who resonate with our corporate philosophy of "*Sampo-yoshi.*"

2. Continuous Development of Diverse Management Talents Through Officer Appointment System

Based on the diverse customer needs in the consumer goods industry, ITOCHU is promoting women's active participation by diversifying the organization and management in decision-making. ITOCHU will also accelerate downstream investments and foster a "culture of continuous learning" within the company to further expand and strengthen our business infrastructure, focusing on nurturing management talents and global talents.

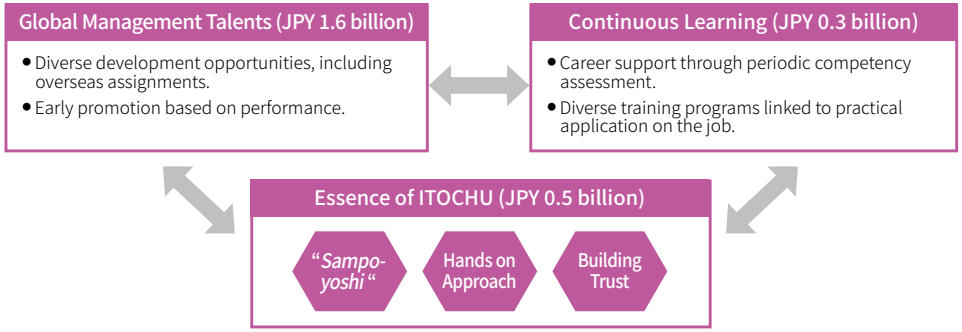
3. Enhancing Employee Motivation and Pursuing Further Labor Productivity

ITOCHU has been implementing advanced initiatives in workstyle reform, such as Morning-Focused Working System, and creating opportunities for challenging experiences and early promotion based on performance. ITOCHU aims to realize a "Challenging but Rewarding Workplace" where all employees can maximize their abilities.

Fumihiko Kobayashi
<Head of Human Resources>
Member of the Board, Executive Vice President,
Chief Administrative Officer

In addition, Since FYE 2000, ITOCHU has positioned the investment in human capital as a continuous investment for enhancing corporate value, and ITOCHU has reviewed them throughout the company to link them to talent development. In FYE 2025, our total investment in employee development (E&D* expenses) amounted to 2.45 billion yen, with an average investment of 606,000 yen per employee.

* E&D: Education & Development



Through these efforts, ITOCHU will nurture employees in line with our Guideline of Conduct, "I am One with Infinite Missions," in response to changes in the social environment and customer needs and achieve our group's corporate philosophy of "*Sampo-yoshi.*"

Human Resources Development

Targets and Action Plan

Based on our employee training policy, ITOCHU Corporation works to achieve the following goals.

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators (Non-Consolidated)	Degree of Progress
Head-quarters		Labor Practices	Sustainable development of employees' capabilities	Human resources affairs	We will develop training programs on a global basis and provide opportunities to learn proactively that respond to the changing times and business needs with a market-oriented mindset to foster employees who can constantly change their business to meet their needs while inheriting the corporate philosophy. We will also utilize training programs to continuously produce excellent human resources.	• Continue to develop and provide training programs at all jobs levels. • Continue and enhance overseas deployment of interns and language trainees. • Offer diverse career path options and experience in diverse work through regular rotation. • Foster career awareness among employees by enhancing personnel assessments, career vision training, career counselling systems and other programs/systems.	• Annual training-related expenses exceeding one billion yen. • The number of employees who joined human development program (cumulative total number) 50,000 or more. • Percentage of career-track employees who are deployed overseas in their first eight years at the company at 80% or higher.	• Annual training-related expenses forecast: 2.45 Billion yen in FYE 2025. • The number of employees who joined human development program (cumulative total number) 56,831. • Overseas dispatch rate for career-track employees in up to their eighth year since joining the company: 87.3%. (As of FYE 2018, there are 671 employees required to be dispatched, of which 586 have actual overseas dispatch experience.)

Structures and Systems

ITOCHU Corporation implements a global personnel strategy. Specifically, in FYE 2011, we established leadership standards and we constructed the Talent Management Process to hire, develop, utilize and promote excellent talent who will expand overseas revenues worldwide.

We provide a selective online training program as support for career formation according to diverse values. This program enables employees to take about 13,000 courses on various topics such as management skills, digital transformation, finance, marketing, languages and others anytime, anywhere. It is utilized by about 1,000 employees every year. We have so far stationed a total of about 130 overseas bloc employees in our headquarters from the perspective of career formation. The purpose is to deepen their understanding of the corporate philosophy, to acquire knowledge and experience through the headquarters' business, and to build a human network. Currently, there are about 740 overseas bloc employees among management personnel (equivalent to managerial positions). We will continue to work with each division company and overseas bloc to proactively train and promote excellent employees in the right place regardless of their nationality. This will lead to a further business expansion overseas.

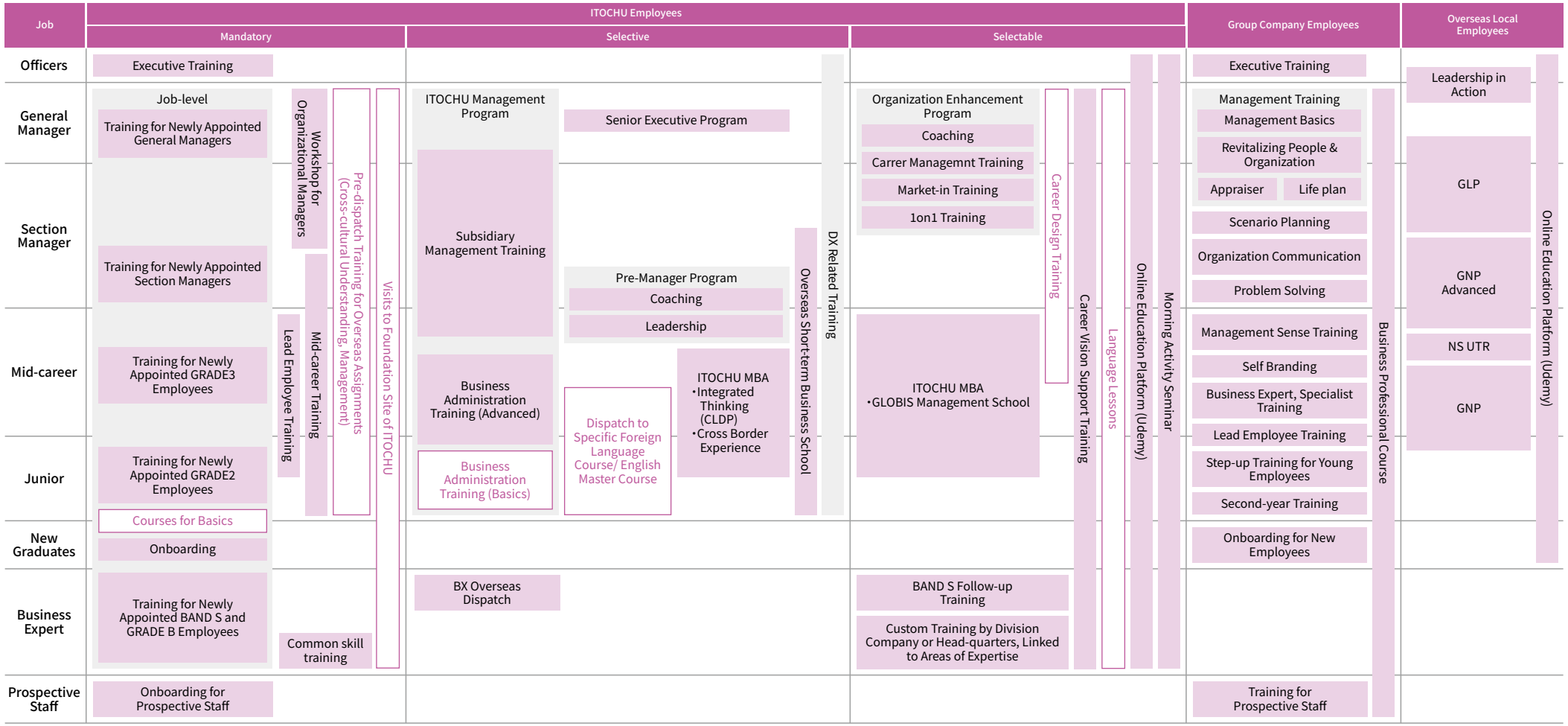
* We have created the ITOCHU Global Classification (IGC). The IGC is a global grading system based on positions and duties at all levels worldwide. We use it to place, promote and train personnel regardless of nationality.
* We have set behavioral requirements that leaders should possess on a global basis. We use these in the recruitment standards and evaluation standards.
* Relevant data:Overseas Bloc Employees by Region (P195)

Human Resources Development

Training System

The ITOCHU Corporation training system consists mainly of selective training for future management personnel and selective training for career development based on meetings with superiors in addition to mandatory training when an employee is appointed an organizational manager or is posted overseas. There is a wide range of training opportunities at various levels, not only for Headquarters employees, but also for those at certain overseas bloc companies and Group companies.

Overseas blocs arrange their own training systems to teach the skills and expertise required for their business and markets. In combination with the headquarters training system, they develop management talent capable of global success.



* For head office employees, in addition to the aforementioned corporate-wide training, we also conduct division company- and administrative division-specific training programs.

Legend: Group Company Employees can participate

Human Resources Development

Training Results

- Relevant data: Time/Cost Allotted for Employee Skills Development Training (P198)
- Relevant data: Attendance in Major Training (P198)

Key Points for Better Training



Participants from 20 countries around the world of the Global Development Program in the autumn of 2023

In FYE 2014, we created a training scheme for talent who shoulder administrative responsibilities at Group companies from the perspective of group management. Specifically, in FYE 2015, we started Business Management Training for young employees to learn about accounting work efficiently in a short period of time through practice to strengthen the acquisition of basic knowledge on business management and risk management techniques. Additionally, we have a replete lineup of Group company employee trainings and conducts joint new employee training and mentor training, among others, so that domestic Group company employees can upgrade their skills and expand their networks within the Group.

Furthermore, we conduct trainings in the Global Development Program and the Short-Term Business School Dispatch to develop global management talents with an overseas perspective.

Most recently, we have been providing all our employees with opportunities for training and lectures aimed at studying cutting edge business model cases and acquiring IT expertise such as generative AI according to our Management Policy. The aim of these training programs is to develop personnel to put into practice digital transformation focused on profitability to drive evolution of business.

- Relevant data: Number of Overseas Local Employee Management Personnel (March 31, 2025) (P198)

Talent Synergy with CPG & CITIC

In January 2015, ITOCHU Corporation formed a strategic business and capital tie-up with Charoen Pokphand Group Company Limited (CPG) and CITIC Limited (CITIC), which are some of the leading conglomerates in Asia and China, respectively.

The strategic business and capital tie-up was accompanied by the FYE 2016 startup of a project to develop 1,000 Chinese-speaking employees, who account for one-third of all career-track employees. The project has made progress in laying a solid linguistic foundation. By the end of FYE 2018, we reached our goal of 1,000 people. We continue developing those employees even after that. The total number of trainees as of the end of FYE 2025 was 1,330. We will continue to build the foundations to further promote the expansion of business in China and the rest of Asia in the future.

ITOCHU Morning Activity Seminar

In September 2016, we began conducting early-morning training sessions and presentations as one measure to encourage shifts beginning in the early morning. The themes of these seminars are focused on the next generation of business and health. We held these seminars a total of 3 times with the participation of 1,162 people in FYE 2025. We received comments from the participants like the following: “I felt really energized after hearing such an interesting presentation before work.” We plan to hold these seminars on a periodic basis in the future.



Seminar by Mr. Abe



Seminar by Ms. Koga



Seminar by Mr. Tominaga

■ Morning Activity Seminar Results for FYE 2025

Date	Theme	Speaker
March 2025	How Individuals Engage with the Digital World in the Age of Generative AI	Yoshinobu Abe B&DX Corp CEO
November 2024	Maximizing Performance Through Leadership and Self-Conditioning	Sarina Koga Former Peofessional Volleyball Player
June 2024	ASICS’ DX Management and Corporate Value Creation	Mitsuyuki Tominaga President and COO, ASICS Corporation

Human Resources Development

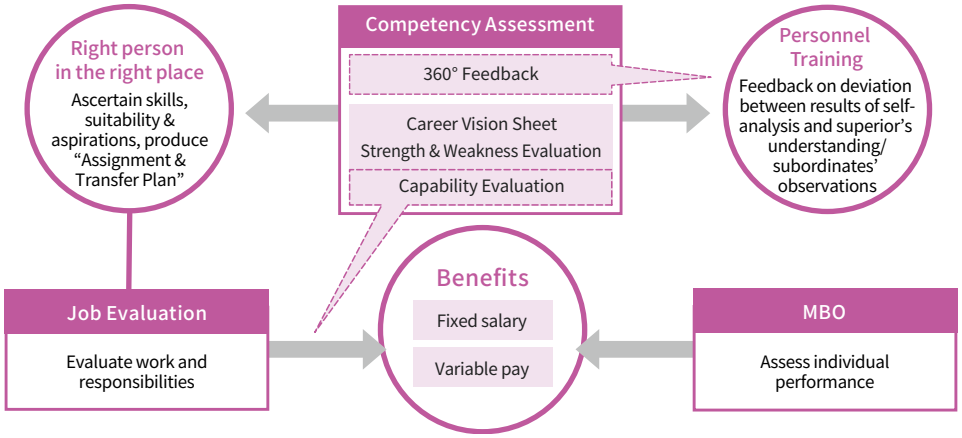
HR Appraisal and Assessment System

ITOCHU aims to achieve a "Challenging but Rewarding Workplace" where all employees can maximize their abilities. The HR Appraisal and Assessment System is a core part of the human resources organization that helps employees fully demonstrate their capabilities in a motivated and rewarding manner, and we have introduced an evaluation and reward system that provides clear incentives based on performance. It covers all ITOCHU Corporation employees. One part of the system is Management By Objectives (MBO), by which we assign individual employees with targets that match up with the management plan, then confirm execution. This approach helps us carry out business strategies. Our compensation system is centered on performance-based evaluation and rewards, with annual salaries determined by job roles and responsibilities, skills and experience, and achievements. Our variable pay (bonuses) is based not only on individual performance evaluations using Management by Objectives (MBO) but also takes company performance into account. Moreover, we have implemented a stock incentive plan that grants company shares according to overall corporate results, which helps foster a stronger sense of ownership and participation in management among our employees.

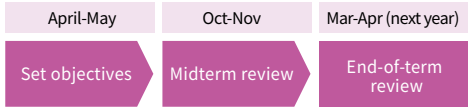
In addition, we comprehensively grasp individual employee's competencies, expertise, past career, aspirations and suitability. We have established a human resources assessment system that we utilize in placement and transfer planning and an employee commendation system that recognizes employees who have made significant contributions in quantitative and qualitative terms and teams that have produced results based on the corporate action guidelines. In order for these components of the HR Appraisal and Assessment System to function, we believe it is critically important that superiors conduct fair and impartial evaluations and meet with their subordinates to provide feedback. 360° feedback* assessor training and one-on-one interviews enlighten superiors so that they will encourage employees to develop and grow.

* Multifaceted observation: A system by which feedback from observations by the organization managers themselves and subordinates are used to review everyday personnel management that the organization manager typically does not notice, followed, if necessary, by initiatives to make improvements or upgrade capabilities. We make sure to apply this approach every year at domestic headquarters and branch offices.

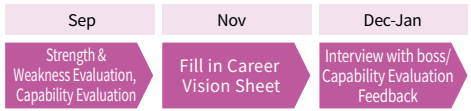
■ **Overall Picture of the Personnel Evaluation Systems**



■ **Management By Objectives (MBO) Flow**



■ **Competency Assessment Flow**



Career Development Support

Home Organization System

To ensure consistent development and placement of our employees from the time they join the company until retirement, we have introduced the Home Organization Management System. Under this system, each employee is assigned to a "home organization"—either a business division or a corporate department—upon joining the company. Even if the employee is transferred to different departments through rotations, their home organization remains unchanged in principle.

As a company engaged in diverse, global businesses, this system allows us to ensure that each employee is continuously developed and supported by their home organization, regardless of their current assignment. This long-term commitment enables strategic talent development and optimal placement throughout the employee's career.

Individual Career Development Support

To foster the next generation of leaders who will drive the company's future growth, we have established a rotation guideline for young career-track employees. This includes foundational training for up to two years and overseas assignments in principle within the first eight years of employment. Based on these guidelines, each division determines its own policies for talent development and employee rotation.

We also hold annual Career Meetings, where organizational leaders explain their development policies directly to junior employees and engage in dialogue to align expectations around career paths and long-term goals within the organization.

In addition, for young career-track employees, we formulate an eight-year development and placement plan (Individual Career Plan Image) starting from the time of joining the company. Through regular one-on-one meetings with organizational managers, employees are encouraged to approach their daily responsibilities with a clear vision for the future.

Furthermore, in the eighth year—marking the end of the initial development period—employees participate in a Career Reflection Meeting, where they can reflect on their career journey and communicate their aspirations and preferences directly to the head of their home department.

Through these initiatives, we actively support young employees in taking ownership of their career development.

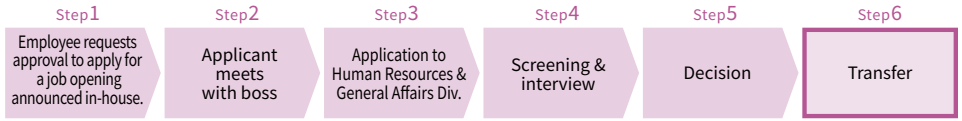
Human Resources Development

Challenge Career System

We have introduced the Challenge Career System as a measure to support employee-led career development of personnel for Career-Track employees (excluding organization managers) and Business Expert employees working in Japan. With the system, employees can check a list of job openings announced on the company intranet, then inform their superior of their desire for a transfer. With the superior's approval, through interviews with the desired division and, if successful, may make a transfer beyond organization boundaries. The aim of this system is to strengthen organizational capabilities by motivating employees and supporting them to independently develop their careers with the provision of career selection opportunities. Approximately 20 employees successfully transfer to new roles each year.

We remain committed to developing talent by providing frameworks that support diverse career opportunities.

■ **Challenge Career System Process**



Virtual Office

We introduced the Virtual Office in FYE 2024. The aim of the Virtual Office is to promote business by sharing ideas and resources across organizations and to support the growth and career development of our employees. It is a mechanism which solicits cross-organizational projects company-wide. Employees themselves can then use small blocks of spare time outside of their main work to engage in the projects in which they have a high level of interest and enthusiasm.

In FYE 2025, approximately 70 employees from across the company—representing diverse locations, age groups, and job functions—came together to drive forward a total of 14 projects.

To accelerate the progress of these initiatives, we provided participants with various forms of support, including training programs on new business development, hands-on guidance from external experts, partial funding for project activities, and an online award ceremony recognizing outstanding achievements.

Moving forward, we will continue to support the creation of new businesses by enabling passionate employees to engage in work they are truly driven by and fostering cross-organizational collaboration.

The aim of Virtual Office	Promote cross-organizational projects and further accelerate the creation of new businesses by having employees with a high level of interest and enthusiasm for projects work together across organizations
Enhance young and mid-level employees' engagement	Being voluntarily involved in other projects allows employees to join desired assignment, which is considered to grow and develop their careers
Sharing ideas and resources across the company	In order to create new values, employees with a high level of interest provide their ideas across the organization to effectively utilize company-wide resources.

Career Counseling

The Career Counseling Center provides wide-ranging counseling and support services for the diverse careers of all employees. We have established a self-career dock system that provides opportunities for career counseling together with the training held at each milestone after an employee joins the company. All the center's counselors are nationally certified career consultants. They support the independent initiatives of those seeking advice about balancing work with childcare and nursing care, communication in the workplace, and other areas in addition to future career according to the situation of each employee. The counselors also support mid-career hires to smoothly adapt to life at ITOCHU and assist with the success of middle-aged and older employees. There are over 800 consultation visits to the center each year. Here, visitors are provided complete confidentiality so they can feel at ease conversing with a counselor. The center's aim is for employees to develop an awareness about how to independently shape their career.

ITOCHU Internship

ITOCHU Corporation provides an internship to students which allows them to tackle various challenging issues based on past business cases. We conduct case study-based internships in both trading and business investment areas. Young employees from ITOCHU are assigned as mentors to provide detailed advice and consultations, fostering mutual understanding. We do this so that they can think about their careers in terms of working in a general trading company.

- ITOCHU RECRUITING Website (Japanese only) (https://career.itochu.co.jp/student/information/seminar.html)

Occupational Safety and Health Management

Policy and Basic Concept

Occupational Safety and Health Management for our Employees

ITOCHU Group believes improving employee health is a cornerstone supporting the enhancement of its human resource capabilities which will, in turn, enable the fulfillment of its Guideline of Conduct, "I Am One with Infinite Missions." Based on this concept, the Company has established the ITOCHU Health Charter. Moreover, we have developed a robust health and safety management structure aimed at, for example, helping employees who strive to balance cancer care and work. In addition, our industrial physicians support our group companies such as by providing information on occupational health and safety. With the health of each of our employees as our top priority, our entire group will strive to realize a working environment where our employees can work with peace of mind.

ITOCHU Health Charter (Enacted in June 2016)

1. Taking Responsibility for Employee Health

ITOCHU will take responsibility for the good health of each employee by actively supporting initiatives they take to maintain or improve their health.

2. Contributing to Society by Maintaining Good Health

ITOCHU will develop soundly over the long term based on an understanding that the good health of its employees is the foundation of the happiness of the employees themselves as well as their families, customers and wider society.

3. A Legacy for Future Generations

ITOCHU will carry out its infinite variety of missions as a company in which healthy employees who are fulfilled both spiritually and physically unleash their individual strengths.

Going forward we will pioneer various initiatives that lead the way toward work-style reform and health management. And we will build an environment that allows employees to find meaning in their work.

Occupational Safety and Health Management along the Supply Chain

Beyond our employees, ITOCHU Corporation also implements comprehensive measures to ensure the occupational safety and health of the stakeholders within our supply chain, including the companies we invest in and contractors. In 2013, we established ITOCHU Corporation's Sustainability Action Guidelines for Supply Chains to communicate our expectations for partners along the supply chain. The Guidelines covers key safety and health related issues such as management of working hours, management of health and safety, and management of employee health.

We believe it is important to gain the understanding and cooperation of all of our suppliers and contractors regarding our procurement-related policies. In keeping with this belief, in FYE 2014 we followed up on the Guidelines with approximately 4,000 suppliers with whom we have continuing relationships, in order to raise awareness and understanding of our expectations. In January 2015, we have made it a mandatory procedure to inform all new suppliers and contractors of the Guidelines. We anticipate that these activities will lead to an enhanced understanding among our business partners regarding our approach to sustainability.

Safety and Health Related Risk Assessments for Investment Projects

ITOCHU Corporation considers ESG (Environmental, Social, and Governance related) aspects to be crucial in assessing potential risks for investment projects. In addition to financial risks and opportunities, our due diligence and risk assessment process for prospective investments therefore includes the use of a comprehensive ESG Checklist, which covers seven core subjects aligned with the ISO26000, as well as 33 sub-issues. One of the core subjects concerns Labor Practices, which includes sub-topics covering safety and health-related issues, such as labor standards, occupational safety and health, and stakeholder engagement to enhance health and safety practices. Our assessment of safety and health related risks for investment projects does not simply end at the initial investment. We conduct continuous management assessments and ensure that we monitor companies in our portfolio, ultimately to contribute to as much enhancement of business practices among investees as possible.

For more details, please refer to ESG Risk Assessment for New Business Investment Projects (P178).

Combatting Global Health Issues

ITOCHU Corporation has operations worldwide, with about 800 employees stationed overseas. As such, global health issues including HIV/AIDS, tuberculosis, and malaria, which are widely recognized as three of the deadliest infectious diseases today, are a major concern to our business, and we have implemented various initiatives in response.

With regards to our employees and their families, we conduct detailed preparatory seminars regarding safety and medical practices prior to overseas dispatch, including information on said global health issues. We also provide employees stationed abroad and their families with mandatory vaccinations aligned to the recommendations published by local governments. Vaccinations are administered by our Health Administration Center or a nearby travel clinic. Once dispatched, our employees and their families have access to specialized health care service companies that we partner with, which can provide information on local hospitals, details on how to avoid infection, and emergency treatment of illnesses.

In terms of community involvement, we have strived to enhance partnerships that can maximize our contribution to combatting global health issues. Since 2017, we are supporting Friends of the Global Fund, Japan (FGFJ) (https://fgfj-en.jcie.or.jp/) through our membership in the Japan Center for International Exchange (JCIE), which is responsible for the operation of FGFJ. We also work with Dole Philippines, one of our subsidiaries, to combat global health issues including HIV/AIDS, tuberculosis, and malaria, in the local communities. We will continue to expand initiatives in this area to fulfill our social responsibility as a global company.

Occupational Safety and Health Management

Targets and Action Plan

Based on our policies regarding the management of occupational safety and health, ITOCHU Corporation aims to achieve zero workplace accidents and death incidents involving employees and contract employees* in FYE 2025 as well, and will work toward the following underlying targets.

* Contract employees are those who work in offices managed by ITOCHU

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators (Non-Consolidated)	Degree of Progress
Headquarters								
Develop a Rewarding Work Environment	8	Labor Practices	Improving the health of employees*	Human resources affairs	We will improve the health of employees to create an environment that will enable individual employees to better demonstrate their capabilities. We will build a system that helps employees with cancer or long-term illness to create a balance between treatment and work, thereby fostering a culture of mutual support.	• Establish well-equipped in-house clinics and a system for supporting each employee in receiving personalized medical care. • Improve the lifestyle-related indicators (drinking, sleeping, smoking, etc.) • Follow-up for health checkup consultation result. • Promote support system for balancing cancer care and work with the partnership with the National Cancer Center Japan. • Life security while absent or taking leave and providing scholarships. • Grant special leave for cancer and designated intractable diseases. • Establish international emergency medical structure. • Conduct stress check every year. • Conduct counselling by clinical psychologists.	• Improve the percentage of taking the cancer screening consultation and health checkup consultation. • Improve presenteeism and absenteeism. • Decrease in the number of employees taking absences and leave, and reduction in the job turnover rate. • Decrease in the number of employees requiring specific health guidance and employees restricted from traveling overseas. • Improve the utilization rate of the Cancer Treatment and Work-Life Balance Support Plan. • Improve Sleep Restfulness.	• Percentage of employees who receive regular medical checkups in Japan: 92.2% (As of March 27th, 2025). • Percentage of employees who take cancer screening consulation: 96.8% in FYE 2025. • Percentage of productivity loss due to presenteeism: 32.0% in FYE 2024. • Percentage of employees who take detailed examination for physical findings: 100% in FYE 2024. • Average Days of absenteeism: 1.3days in FYE 2025. • Number of employees taking leave due to mental health issues: 8 persons in FYE 2025. • Percentage of employees who receive specific health guidance: 48.9% in FYE 2024. • Percentage of employees utilize the Cancer Treatment and Work-Life Balance Suppor Plan: 83.3% in FYE 2025. • Percentage of employees who get enough rest through sleep: 65.6% in FYE 2024.
Metals & Minerals Company								
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply	8 15	• Mining • Electric Power・Mining・Oil and Gas Fields	Sustainable mine development that pays continuous careful attention to the risks in occupational safety and health and environmental risks, and that contributes to local communities' well-being	Mining business	• We will promote sustainable development of natural resources by fully committing to EHS (environment, health, occupational safety) and harmonious coexistence with local communities in areas which our mines operate. • We will improve local infrastructure such as medical care and education.	• Ensure the thorough application of the EHS guidelines and employee education. • Contribute to local communities through activities for improving medical care, education and infrastructure.	• Implementation of annual internal seminars to ensure our employees are fully aware of the EHS guidelines. • EHS seminar attendance rate: 100%. • Rate of checks implemented on EHS compliance in existing and operating projects to be possessed in long term and new mining business: 100%.。 • Donations to medical care and education, and building infrastructure in local communities. • Carry out CSR activities in all existing and operating projects to be possessed in long term (100%).	• We held internal EHS (environment, health and occupational safety) guidelines training courses for supervisors and staffs engaged in mining projects. The attendance rate of the training was achieved 100%. • We checked the proper compliance to the EHS guidelines for one new project, nine existing projects, and one another resource-related project. • We carried out social activities at the communities where our projects are located.

* For more details about improving employee health, please refer to Initiatives for Health Management (P147).

Structures and Systems

ITOCHU Corporation considers employees to be assets. One of the company's vital responsibilities is to ensure health and safety in the workplace so that employees can reach their full potential. We have built a robust system led by the President & Chief Operating Officer, not just for incidents, accidents, disasters and other emergencies, but also health management. This ensures that both ITOCHU Corporation employees working around the world and their families stay healthy and safe.

To implement our corporate mission of being "*Sampo-yoshi*," ITOCHU Corporation also discusses the content of efforts and the implementation situation of occupational health and safety with the ITOCHU Labor Union, which counts approximately 80% of employees as members. (see Labor Union). The Labor Union also collects opinions and identifications relating to health and safety in the workplace from employees. Including the content of those, recurrent, active discussion between labor and management makes both cognizant of the challenges facing the company and keeps them on the same page. This builds a healthy relationship that enables them to consider and implement measures for improvement.

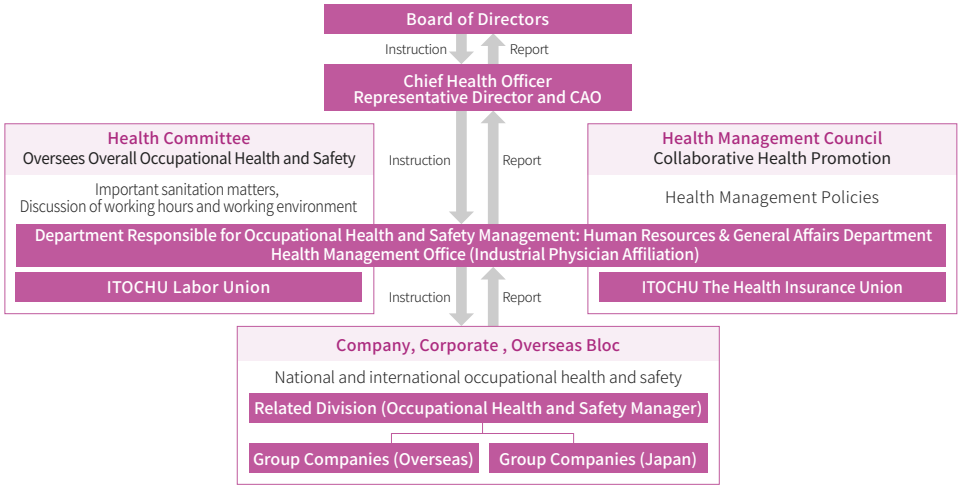
See (P199) for the number employees who have undergone training on health and safety standards.

Occupational Safety and Health Management

Overview of Itochu Corporation's Occupational Health and Safety Management Organization

The labor safety and health management of the ITOCHU Group designates the Chief Administrative Officer (CAO) as the Chief Health Management Officer and is promoted under the supervision of the Human Resources and General Affairs Department, which is responsible for managing labor safety and health in each division company, headquarters, and overseas blocks.

In our domestic group companies, we establish Health committees and other bodies based on the Labor Safety and Health Act to discuss and make plans, evaluations, and improvements regarding the prevention of health disorders and the promotion of health. In particular, our subsidiary companies with factories and other facilities strive to maintain workplace labor safety and health by obtaining ISO 45001 certification.



We have a standard management and escalation procedure for all matters regarding occupational safety and health, both domestic and abroad under CAO as the Chief Health Management Officer. For each of our Companies, Headquarters, and Overseas Blocs, we have appointed an Occupational Health and Safety Officer, who is responsible for overseeing the execution of relevant initiatives. These Officers also serve as contact points to which workplace incidents and death incidents are reported to within their related divisions.

Officers are also expected to relay and escalate these reports to the head office's Human Resources and General Affairs Division. This division identifies dangers in those reports and conducts surveys relating to accidents. It determines and executes corrective measures if necessary.

The Human Resources and General Affairs Division meets with industrial physicians about important matters relating to health (e.g., the infectious disease situation and preventative measures) and risks in working hours and working environments. The Health Committee then meets once a month to share information between labor and management.

With regards to Health Management related initiatives and concerns, we hold a monthly Health Management Council, with the participation of labor unions as representatives of employees, to share progress and any concerns or risks regarding occupational health and safety. We publish the minutes of our meetings on the intranet and communicate them to employees on a monthly basis.

Any critical issues identified in the Health Committee or the Health Management Council are escalated via the Human Resources and General Affairs Division to the Chief Administrative Officer (CAO), who holds the highest level of responsibility regarding health and safety. The CAO is responsible for reporting highly important issues to the Board of Directors and the Chairman & CEO. Matters that are not urgent are reported to the Board of Directors once a year, through the same reporting process.

In addition, we periodically report matters relating to the ITOCHU Health Charter, health management, and occupational health and safety to the Board of Directors. Based on instructions with respect to health management and occupational health and safety reports from the Board of Directors and operational issues identified by the Health Committee, we have established a system to improve our occupational health and safety-related initiatives, and for occupational health and safety-related policies to be formulated, reported on, and reviewed by the Board of Directors as necessary.

Operation of Occupational Safety and Health Management based on the International Guidelines and Standards

Operation based on the EHS Guidelines

The Metals & Minerals Company has established and is operating Environment, Health and Occupational Safety (EHS) Guidelines for its metal and mineral, coal and uranium mining businesses. EHS guidelines supports us to work on sustainable mining development leading to the stable supply of resources.

It is our obligation to avoid and reduce the EHS risks such as environmental pollution, health hazards of workers and operational accidents caused by our business activities (e.g., exploration, development and production). To that end, we have prepared EHS guidelines as technical reference documents summarizing the EHS issues and recommendations for risk management. For throughout implementation of the guidelines, we also utilize checklists available in Japanese and English.

EHS Guidelines apply to new investments, as well as projects in which we are already participating. We communicate intensively with our partners for consultation and improvement on resource development with greater consideration for EHS aspect. In FYE 2025, we performed checks on one new project, nine existing projects and one other resource-related project. We then set items requiring continuous follow-up.

We have prepared guidelines in line with global standards such as the International Finance Corporation (IFC) and standardized processes with checklists. Meanwhile, we continuously review the processes so that we can operate the guidelines flexibly to suit the individual risks of each project.

Most of all, it is important that organization members have an in-depth awareness of the importance of EHS compliance. Accordingly, we aim to thoroughly share information on this throughout our organization by conducting awareness activities using concrete case studies every year. We held internal training courses for supervisors and company employees belonging to sections engaged in resource development in FYE 2025. The attendance rate of those subject to this training was 100%.

Attendance Rate of EHS Training
100%

Occupational Safety and Health Management

Subsidiaries that have ISO 45001 Certifications

Our group companies also maintain occupational health and safety by establishing and operating management systems in accordance with ISO 45001, the international standard for occupational health and safety management systems. As of March 31, 2024, six (accounting for 2.1%) of our company's domestic and overseas subsidiaries had acquired ISO 45001 certification.

Health Administration Center

The Health Administration Center serves as the clinic for our headquarters in Tokyo and employs about 20 medical and dental specialists, 7 nurses and 3 dental hygienists as well as x-ray technician, clinical laboratory technicians and 3 pharmacists. For more than 30 years public health nurses have acted as "border-less medical concierges" who provide individual health guidance customized to the situation of every employee, both in Japan and overseas. This is based on close cooperation with medical specialists for various lifestyle-related diseases. In this way, the center supports ITOCHU Corporation health management through individual health management for each employee. Specifically, in addition to the specialized disease management, the center provides general practice medicine (internal medicine, orthopedic surgery, psychiatry and dentistry), checkups (regular medical checkups, half-day complete checkups, cancer checkups and medical checkups for employees working overseas or returning from abroad on a temporary or permanent basis), various vaccinations, and examinations. It also offers medical counseling and provides information.

Mental Health

Concerning mental health, we have set up a stress management room in the company and offer counseling by a clinical psychologist. Employees can also seek counseling from a company physician or see a psychiatrist in-house. Our Health Insurance Union has set up a health consultation website called Health & Mind Online that enables employees to seek consultations by phone or online. In addition, we have been conducting stress checks once a year since 2015. The rate of those taking these checks has reached 99.5% (FYE 2025).

Safety Measures for Employees on Travel or Stationed Overseas

ITOCHU Corporation operates worldwide with roughly 800 employees stationed overseas. We also send as many as six thousand people a year on overseas business travel. Therefore, we are also working to offer health management to overseas staff to establish an environment where they can demonstrate their abilities with peace of mind even in unfamiliar situations. Since close communication between overseas locations and Japan is vital to overseas security management, we have stationed overseas safety specialists at our headquarters. They regularly exchange information about politics, economics, public safety and other factors with personnel and general affairs representatives assigned to main global offices. They then disseminate appropriate measures internally and to group companies. We have also established a system to cover regions where information is more difficult to obtain through contracts with international security consultant firms. In addition, we have been conducting overseas crisis response training in-house since FYE 2020. We mainly provide this training to those who we plan to station in countries and regions with poor security and employees who we expect to frequently send on business trips to such countries and regions.

Measures to Address Medical Issues and Prevent Infectious Diseases Overseas

Prior to being dispatched, all employees stationed abroad are recommended to undergo mandatory vaccination in line with governmental recommendations for each international region/country. ITOCHU's Health Administration Center provides employees with vaccination services – in case specific vaccinations are not available, we direct our employees to nearby clinics that specialize in vaccinations. All vaccination costs are also covered by the company. We provide both the employees and their families with thorough preparatory seminars on health and safety matters regarding the countries they are assigned to. Global health issues such as tuberculosis, malaria, and HIV/AIDS are especially crucial for certain countries. Therefore, we ensure that the preparatory seminars cover these issues, and also provide follow-up seminars following their return to Japan.
Once our employees and their families arrive in their assigned countries, we provide medical support in various ways, such as partnering with a specialized health care service company (International SOSO (https://www.internationalsos.com/), Wellbe (https://www.wellbemedic.com/en/), Emergency Assistance Japan (https://emergency.co.jp/english/), to provide information on any potential issues that may occur, information on how to address and manage health emergencies, and support during emergencies, such as those that require emergency treatment and transportation.

Workplace Vaccination Program

- As prevention of infectious diseases, we provide workplace vaccination targeted for each region as required.

Occupational Safety and Health Management

Basic Overseas Health Management Support

- **Border-Less Medical Concierges:** Employees and their families can reach out via e-mail or phone call to occupational health nurses supported by specialized physicians, and receive advice on health-related issues as necessary.
- **Introduction of Local Medical Facilities:** We are able to introduce reliable local medical facilities in the countries we operate in, where employees can receive necessary medical services.
- **Routine Health Checkups:** In addition to pre-dispatch comprehensive medical examinations, we provide employees and their families with annual health checkups. These checkups can either be conducted upon short-term return to Japan, or in the countries where they are stationed in – including surrounding countries.
- **SECOM Furusato Care Service:** We provide support for the elderly family members remaining in Japan of employees we have stationed overseas. Our support covers a medical care system run by SECOM, which can be accessed year-round, at any time of day. The service allows for elderly family members to receive phone-based health support from a specialized nurse center.
- **Emotional Support:** We support the emotional well-being of our employees on overseas assignments.

Health-Related Emergency Support

- **International SOS, Emergency Assistance Japan:** This is a service that we provide employees and their families to support them in addressing acute medical conditions. The service provides access to a multi-language call-center where users can inquire about any local issues regarding safety, including terrorism, social disturbances, and medical concerns. Additionally, if our employees or their family members encounter any emergency such as injuries or acute medical conditions, they can access International SOS to request relevant support, which includes arrangements for appropriate transportation, accompanying doctors and nurses, as well as access to medical institutions that are equipped to address the emergency.

Addressing Health and Disease Related Issues in Local Communities

ITOCHU Corporation engages in community investment in the Philippines to address global health concerns. This is conducted mainly through the Mahintana Foundation Inc. (MFI), an NGO that was developed by the Dolefil* SR Division of Dole Philippines, one of our subsidiaries. Along with MFI and local municipalities, ITOCHU has engaged in comprehensive development initiatives for over 40 years, including the creation of industries and labor markets, environmental conservation and reforestation, education, provision for basic needs, enhancement of employee benefits, and health and safety. Specifically regarding health and safety, global health concerns such as HIV/AIDS, tuberculosis, and malaria are particularly crucial, and we have implemented the initiatives listed below to prevent outbreaks of infectious diseases among employees and the local community:

* Dole Philippines's Pineapple Division

Social Issues	Initiatives
Infectious Diseases	Vaccinations, education and training for dengue fever prevention, disseminating insecticide-treated nets (ITNs), extermination of insects, and promotion of vitamin A consumption
Healthcare	Promotion of vitamin A consumption, provision for pregnancy support, dental services, and education and training on adolescent health issues

Regarding malaria, the positive impacts of these prevention initiatives are continuing to spread, with an increasing number of surrounding regions reporting to be free of malaria infections.

Performance Data

Safety initiatives in Japan incorporate countermeasures against large-scale disasters like earthquakes. These include creating a business continuity plan, preparing disaster supplies such as drinking water, food, and toilets, conducting emergency drills, and training employees to use our safety confirmation service. We encourage employees to prepare for large-scale disasters by making sure they have a way to contact their families in the event of an emergency, keeping a pair of comfortable walking shoes at work, and being sure they know their way home on foot.

- Occupational Health and Safety Data (P199)
  - Performance Benchmarking Against Industry Average (Wholesalers and Retailers with Over 100 Employees) (P199)
- Attendance in Training Related to Health and Safety Standards (P199)
- FYE 2025 Number of Employees that Received Our Main Health and Safety-related Trainings (P199)

Initiatives for Health Management

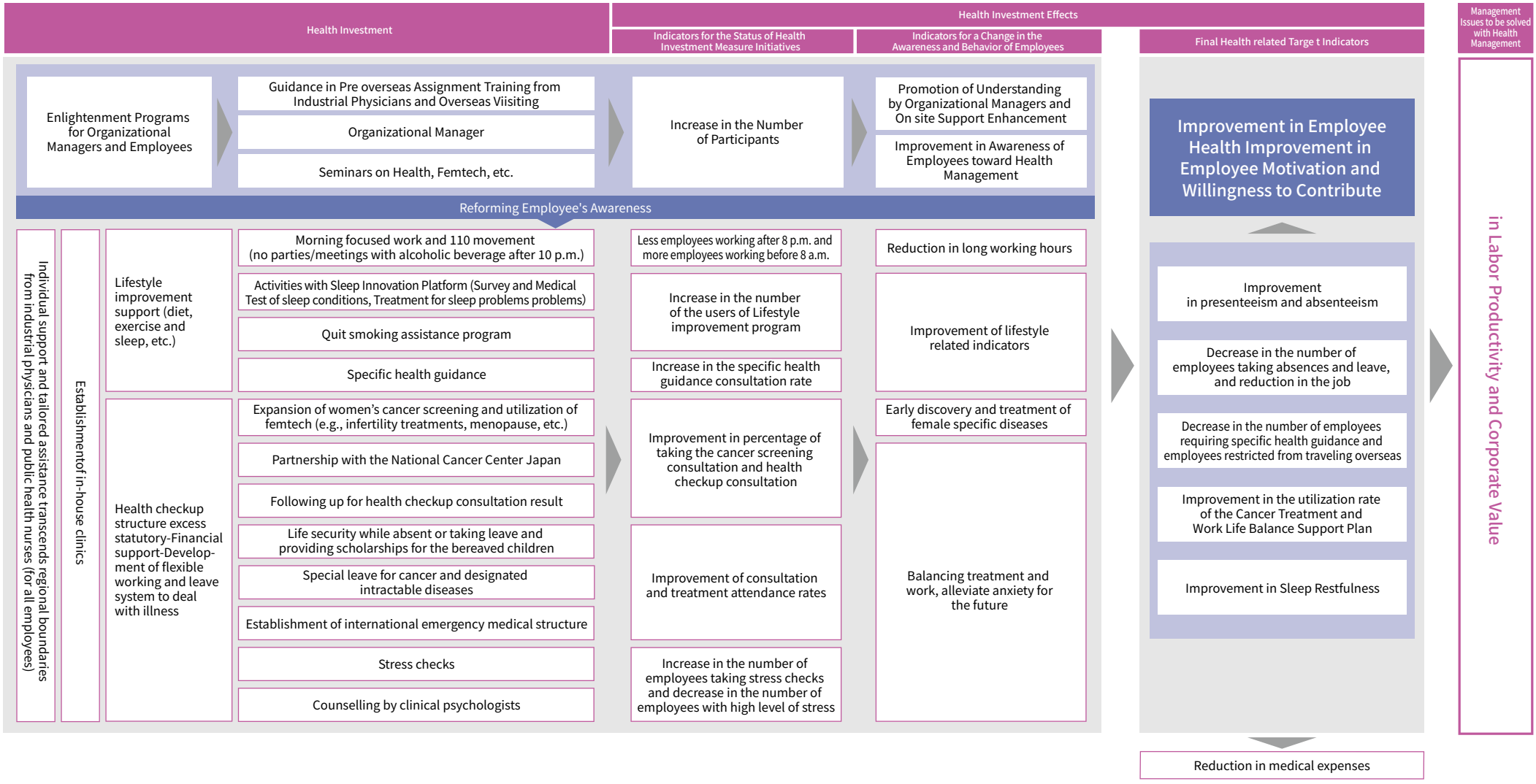
We established the ITOCHU Health Charter in FYE 2017.The charter states that each employee is responsible for maintaining and improving their health, that ITOCHU will actively support their efforts to do so, and that the good health of our employee is the foundation of their happiness as well as their families, customers and society more broadly. ITOCHU has set up Health Administration Centers at its Tokyo and Osaka Headquarters and is distinguished by the "concierge" assistance it extends to individual employees with the involvement of industrial physicians and health nurses in a way that transcends regional boundaries. We are aiming to raise the health awareness of each employee with the ITOCHU Health Navi (Health Management System) we introduced in February 2021. This system allows all employees to view health checkup results via a PC or smartphone and permits centralized management of lifestyle data, such as the number of steps walked in a day, weight, blood pressure. In addition, we created the Strategy Map for Health Management in ITOCHU in August 2021. This map visualizes the positions and effects of various measures. These steady initiatives have been recognized. We received the Minister of Health, Labour and Welfare Prize during the Award for Companies Promoting Cancer Control in the Action Plan for Promotion of Cancer Control sponsored by the Ministry of Health, Labour and Welfare in February 2018. And we were selected as a Health and Productivity Stock in 2016, 2017, 2024 and 2025 in the Health & Productivity Management Outstanding Organization Recognition Program that is chosen by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. We have also been highly praised such as by being selected as a Health & Productivity Management Outstanding Organization (White 500) every year since FYE 2017 when we started applying to the program.

The relevant laws and ordinances (e.g., the Industrial Safety and Health Act and Health Promotion Act) form the basic premise of all our initiatives. We comply with laws and ordinances – from the implementation of regular health checkups and stress checks to the protection of personal information.

Occupational Safety and Health Management

The Strategy Map for Health Management

ITOCHU recognizes that employees, our irreplaceable management resource, are diverse in terms of their race, gender, religion, nationality and age. We promote health management focused on the following initiatives so that each of our employees achieves their infinite missions and so that we realize a permanent improvement in our corporate value.

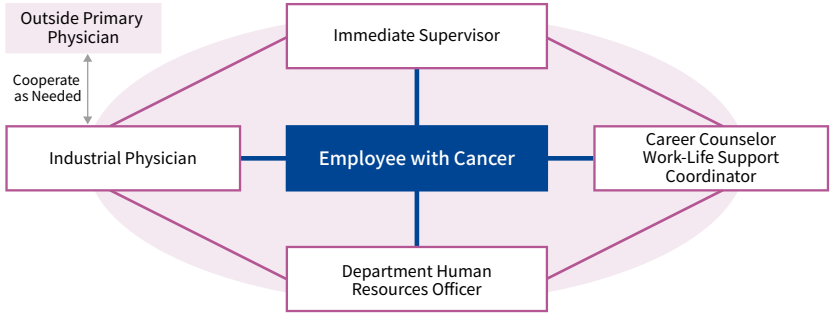


Occupational Safety and Health Management

Support for Balancing Cancer Care and Work

We have been working from the three perspectives of prevention, treatment and coexistence as support for balancing cancer care and work since FYE 2018. The aim of this is to build workplaces where employees can truly feel at home even if they have cancer and where they can continue to work with peace of mind. Furthermore, in addition to conducting periodic Medical Checkup in partnership with the National Cancer Center, we also provide scholarships along with employment at ITOCHU group companies to bereaved families of employees who had such diseases. These initiatives are leading to an improvement in the sense of security felt by our employees.

■ **ITOCHU Corporation Support System for Balancing Work and Cancer Treatment**



■ **Overview of Support Measures for Balancing Cancer Care and Work**

Prevention

- Alliance with the National Cancer Center Research Institute
  (early detection through special checkups, contribution to research)
- Fostering awareness of preventing lifestyle diseases
- Subsidies for smoking cessation treatment costs
- Checkups for various cancers through regular health screenings

Treatment

- Alliance with the National Cancer Center Research Institute
  (immediate collaboration with medical specialists and access to leading-edge treatments)
- Providing Full Company Assistance for Expense for Advanced Cancer Treatment (Not Covered by Insurance)
- Assignment of medical specialists to health management offices

Coexistence

- Construction of Support System for Balancing Cancer Care and Work
  - Establishment of coordinator (consultation desk)
  - Creation of a guidebook and education of organization heads
- Reflection in Evaluation Indicators of the Balancing of Cancer Care and Work
- Reduction of anxiety about the future
  - Fund for education of children up to graduate school graduation
  - Support for bereaved spouses via the provision of employment opportunities at the ITOCHU Group
- Development of Flexible Work and Leave Programs
  - Shortened work hours, selection of work days, working from home
  - Special leave: 18 days per 3-year period
- Payment of Illness Allowance during Leave of Absence

Initiatives Aimed at Improving Sleep Quality

We believe that improvements in both the quality and quantity of sleep, which have an affinity for our morning-focused work system, contribute to enhancing our labor productivity. Since April 2022, we have joined the sleep management consortium Sleep Innovation Platform® and participate as a member of the working team focused on developing service for health management support. Since FYE 2024, we have initiated the Nishikawa Sleep Improvement Program developed by Nishikawa Corporation for our domestic employees. This program provides consulting services, sleep improvement supplements, and applications to solve the sleep issues detected by the sleep surveys for each employee. In FYE 2025, we collaborated with sleep specialists to implement a medical test for SAS (Sleep Apnea Syndrome), with the test costs covered by our company. Also, we built a system that any employees, whether domestic or overseas, can receive treatment for SAS.

Occupational Safety and Health Management

Application to Group Companies

Due to our consolidated management, our initiatives with regards to occupational health and safety, and safety management, cover not only our employees (including contract employees) but also those of our group companies.

Specifically, group companies also conduct things like stress checks, safety initiatives in Japan, information on safety measures overseas, collaboration with overseas security and medical service companies, and seminars prior to overseas assignments. Group companies are increasingly adopting a morning-focused work style, and the group overall is striving to reduce the total number of working hours and promote employee health. In addition, we are working to strengthen the labor management of the overall ITOCHU Group by regularly conducting workshops that hone the knowledge and expertise of our personnel, and assessments of labor and human resources.

Details of Personnel and Labor Support Provided to Group Companies in FYE 2025

1. Labor management case study workshops
These workshops focus on case studies that highlight possible labor management cases including mental health problems and working hours management. Participants gain specialized knowledge and learn how to handle these types of problems. In FYE 2025, basic workshops were held from July to August, and advanced workshops were held from December to January, with approximately 70 participants.

2. ITOCHU Group Human Resources and General Affairs Liaison Council
This council aims to allow those in charge of human resources and general affairs from our group companies to exchange information and strengthen relationships. Activities include discussing the latest trends in human resources and general affairs, sharing information about ITOCHU Corporation measures and support situation, and updating one another about the content of revisions to laws. In FYE 2025, we also introduced services for group companies, including employment transition support services for persons with disabilities and reemployment support services for seniors. There were 269 participants from 118 companies.

3. Human resources and labor management assessments
These are assessments aimed at checking whether rules, systems, and management related to overall personnel and labor affairs are operated in an appropriate manner. These include labor contracts, internal rules, occupational health and safety, and time management. We have conducted assessments of 73 companies since starting this initiative in FYE 2017.

4. ITOCHU Group Human Resources and Labor Management Portal Site
We provide a portal site to share the regulations and expertise of ITOCHU with group companies. The aim of this site is to strengthen the human resources and labor management in group companies.

5. Harassment Prevention Training
We shared a harassment prevention training video targeted for all manager level employees in FYE 2024 with ITOCHU Group companies. Approximately 5,300 individuals from 77 companies viewed it.

External Appraisal/Assessment

ITOCHU Corporation received the Minister of Health, Labour and Welfare Prize during the 2017 Award for Companies Promoting Cancer Control in the Action Plan for Promotion of Cancer Control, which is sponsored by the Ministry of Health, Labour and Welfare. The award was granted in recognition of our Support Measures for Balancing Cancer Care and Work, which began in FYE 2018. We were selected as a Company with Outstanding Cancer Control Promotion in the initial year in the Companies with Outstanding Cancer Control Promotion Recognition Program that was newly established in FYE 2021. We also received an award of excellence, during the Tokyo Metropolitan Government awards commending companies that implement excellent initiatives to help cancer patients balance cancer treatment and work.

Moreover, our Balancing Cancer Care and Work Support System was acknowledged in FYE 2019. We received the Award of Excellence in the Corporate Human Resources category at the Nihon no Jinjibu HR Awards 2018. The Nihon no Jinjibu HR Awards are awards that honor innovators in fields such as human resources, personnel development and labor management. We also received the Gold Award at the 1st gan-ally-bu Awards. The gan-ally-bu Awards are awards aiming for workplaces and a society where it is possible to work actively while receiving cancer care.

ITOCHU Corporation was selected as a Health and Productivity Stock in 2016, 2017, 2024 and 2025 in the Health & Productivity Management Outstanding Organization Recognition Program that is chosen by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. In addition to honors such as those, we have been selected as a Health & Productivity Management Outstanding Organization (White 500) for nine years in a row from 2017 to 2025.

We succeeded in these areas thanks to positioning work-style reforms and Health and Productivity Management as important management strategies. We introduced a morning-focused working system ahead of other companies, and cooperated with industrial physicians and the Health Insurance Union to promoted aggressive measures for improving health throughout company.

For more details, please refer to Evaluation by Society (Occupational Safety and Health Management) (P250).

Respect and Consideration for Human Rights

Policy and Basic Concept

Respect and consideration for human rights is an important issue for ITOCHU as we deploy our business activities in various regions around the world. ITOCHU also asks all our stakeholders to approve, understand and put into practice the human rights policy of ITOCHU in addition to education for employees to respond to this important issue.

The ITOCHU Group Human Rights Policy

The ITOCHU Group has adopted the "ITOCHU Group Human Rights Policy" (hereinafter "the Policy"), drafted based on our Corporate Mission, Guideline of Conduct, Code of Ethical Conduct, and The ITOCHU Group Sustainability Policy. This Policy iterates our commitment to respect the human rights of our stakeholders and address negative impacts that may arise from our business activities.

1. Policy Scope and Our Expectations Toward Business Partners

This Policy applies to all worldwide executives and employees of the ITOCHU Group, including contractors and temporary employees. The ITOCHU Group also expects business partners and other relevant stakeholders to comply with this Policy.

2. Endorsement of International Agreement

The ITOCHU Group supports international agreements on human rights, including the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the United Nations Global Compact, which we have been a signatory to since 2009. We will also implement measures aligning to the United Nations Guiding Principles on Business and Human Rights.

3. Legal Compliance and Respect for Internationally Recognized Human Rights

The ITOCHU Group will comply with the laws and regulations in the respective countries and regions where we perform our business activities in addition to Japan. If there is a contradiction between internationally recognized human rights and the laws and ordinances of a country or region, we will pursue a method to maximize respect for international human rights principles.

4. Management Approach

The ITOCHU Group will build structures to realize this Policy. The Sustainability Officer will bear the responsibility to oversee the compliance and implementation situation of this Policy.

5. Human Rights Due Diligence

Based on the United Nations Guiding Principles on Business and Human Rights, the ITOCHU Group will implement human rights due diligence in order to identify, prevent and mitigate negative impacts on human rights and fulfill our commitment to accountability.

6. Remedy and Rectification

If the business activities of the ITOCHU Group induce a negative impact on human rights or if involvement in such becomes clear, we will strive to remedy and rectify that through appropriate procedures and dialogue.

7. Dialogue and Consultations

The ITOCHU Group will leverage external human rights expertise in its implementation of human rights due diligence and will engage in dialogues and consultations with our stakeholders – especially those potentially subject to adverse impacts from our business activities.

8. Education and Awareness

The ITOCHU Group will provide appropriate education to all executives and employees (including contractors and temporary employees) and strive to raise human rights awareness in order to incorporate and implement this Policy in our business activities.

9. Communication on this Policy and Our Relevant Initiatives

This Policy will be approved by senior executive in charge of sustainability and be reported to our Board of Directors and we will widely publish it to the public. We will also report on our human rights initiatives based on this Policy on the ITOCHU website and in our ESG Report.

Fumihiko Kobayashi
Member of the Board
Executive Vice President
Chief Administrative Officer
Established in April 2019
Revised in April 2020

- Refer to: Code of Ethical Conduct (https://www.itochu.co.jp/en/about/ethical_conduct/index.html)

Respect and Consideration for Human Rights

Individual Policy

Response to Modern Slavery and Human Trafficking

ITOCHU is committed to initiatives to ensure that there is no modern slavery or human trafficking in our supply chain and business activities. We are participating in the United Nations Global Compact. Together with this, we are reflecting the concept of the United Nations Guiding Principles on Business and Human Rights in our business activities. Our existing principles contain initiatives to ensure that modern slavery and human trafficking do not occur in our sales activities and supply chain across the world.

• Refer to: Status of Initiatives at ITOCHU Europe PLC. (Slavery and Human Trafficking Statement)
(https://www.itochu.com/uk/en/sustainability/society/#ModernSlavery)

Consideration for Foreigners

If foreign workers, interns and trainees are accepted in our supply chain, we pay full attention so that we comply with the labor related laws and ordinances in the country concerned and so that we do not commit acts contrary to the purpose of that acceptance system. We do this from the point of view of respect for human rights and relief because such people are liable to become the target of illegal acts due to their low social and economic status.

Respect for the Rights of Children

ITOCHU supports the United Nations Convention on the Rights of the Child and Children's Rights and Business Principles. We respect the four pillars of the United Nations Convention on the Rights of the Child - a child's right to life, development, protection and participation.

ITOCHU has adopted the development of the future generation as one of the ITOCHU Group Basic Activity Guidelines on Social Contribution. We perform activities to support the healthy development of the young people who will be responsible for the future generation.

• Refer to: Growth of Future Generations (https://www.itochu.co.jp/en/csr/social/future/index.html)

Policy on the Use of Security Guards

In order to ensure the safety of our business operations in various parts of the world, ITOCHU uses security personnel. When necessary, we may employ armed security personnel. We are aware of the potential risk of human rights violations that may accompany the handling of weapons, and employ personnel in each country based not only on adherence to local law but also on international standards.*

* United Nations Global Compact, Voluntary Principles on Security and Human Rights, Code of Conduct for Law Enforcement Officials, Basic Principles on the Use of Force and Firearms by Law Enforcement Officials, etc.

Respect for the Rights of Indigenous People

We recognize that indigenous people have their own culture and history when we conduct business activities in regions where indigenous people live as part of our commitment to respect human rights. We respect and take into consideration the rights of indigenous people established in the laws of the countries and regions where we perform our business activities and international agreements (e.g., the Declaration on the Rights of Indigenous Peoples and the International Labour Organization (ILO) Convention 169). When examining new business investment projects, we also strictly enforce prior checks concerning the impact on the rights of indigenous people by that business.

Job Creation and Employment Concept

The ITOCHU Group works to make local contributions by local hiring during the diverse business activities we engage in around the world. We strive for coexistence with the local regions in which we operate and to contribute to the development of international society. We comply with the statutory minimum wage and strive to pay at least a living wage when we hire local employees. Doing so leads to human resource development in the region and helps stimulate local economies. Moreover, we believe this contributes to sustainable development. When an ITOCHU Group company in Japan or overseas engages in business activities in a particular region, as the parent company, ITOCHU supports to formation of a management structure for ensuring that the company complies with relevant laws and provides an optimal labor environment for its employees. (Group companies report to division companies based on their operating domain and the division company provides direct support.) The ITOCHU Group is comprised of some 300 companies in Japan and overseas, and works to balance business and regional development by hiring and training local staff.

Respect and Consideration for Human Rights

Policy on Decommissioning of Mining Operations

Mining projects can have adverse impacts on the environment and society in the area where the development is to take place, including water, air, land and soil, landscape, and local residents. We believe it is important to minimize any effects on the environment and society, including biodiversity and human rights. It is therefore important to have a long-term plan in advance that takes into account the impacts during the project study and development stage, the operational stage, and also after the mine decommissioning and closure in the future. When decommissioning mining operations, the ITOCHU Group undertakes appropriate measures based on laws and regulations as well as a mine decommissioning plan. In our mineral resource development and operational business, we have prepared Environment, Health, Safety (EHS) guidelines based on international standards such as the International Finance Corporation (IFC)'s Environment, Health, Safety (EHS) guidelines. In accordance with these guidelines, we have developed a rehabilitation and mine closure plan that takes various stakeholders into account, and we undertake long-term monitoring after closure to minimize the negative impacts of mining business and maximize social benefits.

Oaky Creek Coal Mine Rehabilitation



Depression from Mine Development



Completed Rehabilitation

Through ITOCHU Minerals & Energy of Australia Pty Ltd, our wholly owned subsidiary, we are participating in the active Oaky Creek coking coal mine in Queensland, Australia. The Oaky Creek project has developed a rehabilitation plan for the mine area in advance of its closure based on the decommissioning policy mentioned above and reviewed and assessed by experts for environmental and social impacts that might occur prior to or after the mine closure. Decommissioning and rehabilitation costs are periodically re-evaluated and reflected in the business plan. By conducting rehabilitation according to the closure plan, the project prevents soil and water pollution, promotes the restoration of the ecosystem, and ensures the health and safety of local residents.

For example, pits created by coal mining are backfilled using topsoil excavated during the mining process, and are then rehabilitated back to a level suitable for final land use. It is also important to conduct appropriate management of wastewater quality to prevent water pollution caused by chemical residues. In addition, appropriate management for waterway are taken. Regarding underground mining areas, detailed geological surveys are undertaken at the time of decommissioning, and measures are undertaken to prevent land subsidence and manage mine affected water.

After decommissioning, coal-washing equipment, pipelines, conveyor belts, and other surface equipment are completely removed, and ground-leveling operations are undertaken.

After backfilling and levelling are completed, planting begins. Following restoration, long-term monitoring is undertaken on land stability and plant growth.

Respect and Consideration for Human Rights

Targets and Action Plan

Risks	Opportunities
• Business delay or business continuity risk resulting from the occurrence of a human rights problem in business activities that expands (geographically). • Decline in credibility that may result from defects in the social infrastructure services we provide.	• Stabilization of business or securing of excellent human resources resulting from harmonious coexistence with local communities. • Establishment of safe, stable supply system for product enabled by the consideration of human rights and improvement of work environment in the supply chain.

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators (Non-Consolidated)	Degree of Progress
Textile Company								
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		Value Chain	Establishing a value chain reflecting consideration for human rights and the environment	Textile products in general	We will promote dealings with companies which respect human rights and which engage in environmental management throughout their entire value chains.	Strive to understand at an early stage the human rights, social and environmental risks in supply chains by continually conducting surveys on major suppliers.	Conduct on-site visit surveys and questionnaires at more than 50 major suppliers a year on an ongoing basis.	In FYE 2025, surveys were conducted for 75 suppliers in China and the Asian region. As a result, no significant issues were identified. Appropriate feedback is provided on survey responses from suppliers to promote a sustainable supply chain.
Machinery Company								
Respect and Consider Human Rights		Supply Chain	Establishing a supply chain reflecting consideration for human rights and the environment	Overall electric power and plant projects	We will contribute to improving the quality of life of all stakeholders in the supply chain and business investment destinations.	Set rules on due diligence related to social and business environmental safety for suppliers and business investment destinations based on the distinctive characteristics of each business, implement due diligence, and strengthen monitoring continuously.	Implement the due diligence described on the left in all new development projects.	We continue operations to check the core subjects outlined in the social responsibility guidelines by employing a company-wide ESG checklist across all investment projects. Prior to investment, we conduct due diligence on each development project, assessing its social and environmental integrity based on the unique characteristics of each business.
Metals & Minerals Company								
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		• Mining • Electric Power・Mining・Oil and Gas Fields	Sustainable mine development that pays continuous careful attention to the risks in occupational safety and health and environmental risks, and that contributes to local communities' well-being	Mining business	• We will promote sustainable development of natural resources by fully committing to EHS (environment, health, occupational safety) and harmonious coexistence with local communities in areas which our mines operate. • We will improve local infrastructure such as medical care and education.	• Ensure the thorough application of the EHS guidelines and employee education. • Contribute to local communities through activities for improving medical care, education and infrastructure.	• Implementation of annual internal seminars to ensure our employees are fully aware of the EHS guidelines. • EHS seminar attendance rate: 100%. • Rate of checks implemented on EHS compliance in existing and operating projects to be possessed in long term and new mining business: 100%. • Donations to medical care and education, and building infrastructure in local communities. • Carry out CSR activities in all existing and operating projects to be possessed in long term (100%).	• We held internal EHS (environment, health and occupational safety) guidelines training courses for supervisors and staffs engaged in mining projects. The attendance rate of the training was achieved 100%. • We checked the proper compliance to the EHS guidelines for one new project, nine existing projects, and one another resource-related project. • We carried out social activities at the communities where our projects are located.

Respect and Consideration for Human Rights

Targets and Action Plan

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators (Non-Consolidated)	Degree of Progress
Food Company								
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		Supply Chain	Establishing a supply chain reflecting consideration for human rights and the environment	Provisions field	We will develop a procurement structure compliant with third-party body certification and supplier-specific codes of conduct.	• We will promote procurement compliant with supplier-specific codes of conduct in coffee bean and cacao bean producing countries. • We will strengthen the handling of oil certified by the RSPO - a third-party certification organization for palm oil. • We will support the establishment of a promotion and distribution system in Japan for MSPO/ISPO in cooperation with domestic industrial associations. The aim of this is to encourage the use of certified oil systems in producing countries.	• Coffee beans: Promotion of procurement of products compliant with supplier-specific codes of conduct or certified products based on our procurement policy. • Cacao beans: Promotion of procurement of products compliant with supplier-specific codes of conduct (sustainable products) based on our procurement policy. • Palm oil: Procurement of palm oil based on our procurement policy. Promotion of the disclosure of the set KPI indicators and supplier information. **2030** • Coffee beans: Aim for a 50% switch to sustainable coffee beans. • Cacao beans: Aim for a 100% switch to sustainable coffee beans. • Aim for a 100% switch to sustainable palm oil.	• Coffee beans: procurement ratio of FYE 2025:32% The coffee market has reached an all-time high, leading various client companies to reduce the usage ratio of certified raw materials for cost-cutting purposes. Although the handling ratio decreased compared to the previous year, the target value (over 30%) was achieved. • Cacao beans (traceable products): procuremen ratio of FYE 2025: 65% (4,984 tons of traceable beans out of 7,728 tons total.) • Palm oil: Check supplier's sustainable palm oil sourcing policies through regular surveys, and continue purchasing based on our procurement policies. At the same time, we continue to publicize the ratio of RSPO certified Palm Oils and Traceable To Mill etc. • Ratio of RSPO Certified Palm Products/Oleo chemicals of FYE 2025 • Palm Oils 36% • Oleo Chemical Products 69% **Support Achievements to Each Producing Country (Qualitative)** • Coffee Beans: Next Generation Support/Ethiopia To contribute to the improvement of sanitary and educational standards in Ethiopia, the toilets at schools are constructed and the educational materials to preserve the history and culture of coffee are provided in the coffee bean production areas of Ethiopia.
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		• Forest • Stable Supply of Resources	Establishing a supply chain reflecting consideration for human rights and the environment	Fresh food field	We will contribute to increased employment and an improved living environment by fostering local industries.	We will diversify producing areas to disperse weather risks in our Dole business. In addition, we will develop new producing areas to expand employment and improve the living environment through the growth of local industries.	• Cultivate pineapples in Sierra Leone to develop a producing area followed by the development program in the Philippines. • Start the commercial production and export of pineapple processed foods in Sierra Leone.	• Employment: 2,578 people as of March 2025. • Pineapple production: Approximately 12,000 tons in FYE 2025. • Providing of medical treatment for local persons. Through a non-profit organization, with whom the partnership agreement is signed for medical collaboration, we provide maternal healthcare services to employees, their families, and local residents. (In FYE 2025, 199 children was born in our clinic)

Respect and Consideration for Human Rights

Structures and Systems

ITOCHU promotes the formulation and implementation of action plans with respect and consideration for human rights serving as one of our key issues. Under the sustainability promotion structure, the person responsible for this issue is the Sustainability Officer while the Sustainability Management Division serves as the secretariat to constantly prevent negative impact on human rights in collaboration with the persons responsible for ESG in each division. The secretariat establishes this system and performs a review every year together with the ESG officers in each division. This content is deliberated on and reported to the Sustainability Committee. Important matters are also discussed and reported to the Board of Directors.

• Structure for Promoting Human Rights: Sustainability Promotion Structure Chart (P16)

Human Rights Due Diligence

The ITOCHU Group is fulfilling our responsibility to respect human rights based on The ITOCHU Group Human Rights Policy established in April 2019. Specifically, we continuously identify and assesses the negative impact from the corporate activities of the ITOCHU Group on human rights that may affect society. We then work to prevent and mitigate such impact by taking the appropriate steps. Therefore, following the procedures detailed in the UN Guiding Principles on Business and Human Rights, we establish a human rights due diligence mechanism to assess a wide range of human rights issues, including five core labor standards (Freedom of Association and Collective Bargaining, Forced Labor, Child Labor, Discrimination, Occupational Safety and Health) set out in "The ILO Declaration on Fundamental Principles and Rights at Work." In addition, we disclose information on the progress and results of our action.

Human Rights Due Diligence Procedure



Impact and Assessment on Human Rights

Targeting business areas in our company, we identified salient human rights issues on which we should focus our efforts to prevent any negative impact by referring to international guidelines and indicators, such as SA 8000, with the cooperation of the external professional organization, and conducted several risk mapping.

Identified Issues

Child Labor, Forced Labor, Health and Safety, Freedom of Association and Right to Collective Bargaining, Discrimination, Disciplinary Practices, Working Hours, Remuneration

Implementation Process:

- Country Risk Mapping: Assessment on identified issues in the countries of the Suppliers' location
- Business Area Risk Mapping: Study on human rights items to consider, including identified issues

Issues	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th
Child Labor	■		■		■	□		
Forced Labor	■		■		■		□	
Health and Safety	■	■	■	■	□	■		□
Freedom of Association and Right to Collective Bargaining	■	□	□	□	□	□		
Discrimination	■		□	□	□			□
Disciplinary Practices	■							
Working Hours	■	■				■	□	□
Remuneration	■				□	□		
Migrant Workers	■	□	□	□		■		□
Human Trafficking	□		□					
Indigenous Human Rights		□	■			□		
Impact on Local Communities and Residents		□	□	■		□		
Land Acquisition and Resettlement		□	■	■				

- Merchandise Risk Mapping: Survey of merchandise risk levels by country

The following merchandise should be handled with particular consideration.

Selected Merchandise: cotton, clothing, palm oil, coffee, tuna, natural rubber, wood products

In our company, we continuously take into account country, business area and merchandise risk, and promote responsible procurement in consideration of human rights.

Respect and Consideration for Human Rights

Implementation Status

We have started conducting human rights due diligence for each business sector based on the impact on and assessment of human rights as described above, starting with the Food Company in FYE 2021. We have confirmed that there were no significant negative impacts in the business fields in which we have carried out assessments in the past. In the next few years, we plan to implement human rights due diligence sequentially in all business sectors.

- Progress of Human Rights Due Diligence FYE 2025 (PDF: 434KB) PDF file
  (https://www.itochu.co.jp/en/csr/pdf/due_diligence_en_2024.pdf)
- Progress of Human Rights Due Diligence FYE 2024 (PDF: 372KB) PDF file
  (https://www.itochu.co.jp/en/csr/pdf/due_diligence_en_2023.pdf)
- Progress of Human Rights Due Diligence FYE 2023 (PDF: 917KB) PDF file
  (https://www.itochu.co.jp/en/csr/pdf/due_diligence_en_2022.pdf)
- Progress of Human Rights Due Diligence FYE 2022 (PDF: 404KB) PDF file
  (https://www.itochu.co.jp/en/csr/pdf/human_rights_due_diligence_en_2021.pdf)
- Progress of Human Rights Due Diligence FYE 2021 (PDF: 347KB) PDF file
  (https://www.itochu.co.jp/en/csr/pdf/human_rights_due_diligence_en_2020.pdf)

At the same time, in order to mitigate human rights and labor risks in the supply chain, we continuously conduct supply chain sustainability surveys to major business partners in all business areas every year.

Refer to: Supply Chain Sustainability Survey Initiative (P174)

New Business Investment Projects

For more details, please refer to “ESG Risk Assessment for New Business Investment Projects (P178)”.

Existing Business

When entering into business with new suppliers, ITOCHU informs all applicable suppliers in advance of the Sustainability Action Guidelines for Supply Chains. If a matter in violation of the purpose of this policy is confirmed, we seek corrective measures from that supplier. At the same time, if it is judged that correction is difficult even though we have made continuous requests for correction, we deal with this under a stance of reviewing our business with that supplier.

We also perform due diligence with the seven core subjects of ISO26000 serving as the mandatory survey items (including modern slavery and human trafficking) when making new investments with major suppliers. We conduct additional due diligence with external specialist organizations for investment projects requiring a professional point of view.

Supply Chain Management

For more details, please refer to Sustainability in the Value Chain (P174) and Response to Suppliers in Violation of this Policy (P177).

Risk Assessments

We conduct risk assessment on human rights including modern slavery and human trafficking. We do this through group company fact-finding surveys in which we visit sites together with external experts as appropriate. This is in addition to our supplier surveys in due diligence. We have also established policies and responses for procurement by product in regards to products with a significant impact on society and the global environment. This is an attempt to reduce the risks in our supply chain.

Refer to: Human Rights Audits in the Poultry Industry in Thailand (P176)

Grievance Mechanism

The ITOCHU Group has multiple points of contact for receiving concerns and complaints from stakeholders. In case that we are found to be involved in a negative impact on human rights, we take appropriate measures to remedy the situation.

Consultation Desk for Supply Chains

ITOCHU is a regular member of the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), which provides the “Engagement and Remedy Platform” in accordance with the United Nations Guiding Principles on Business and Human Rights. This platform allows any stakeholder in the supply chain to report violations or suspected violations of international and national codes of conduct. By accepting grievances through third-party channels, we strive to ensure fairness and transparency, promote dialogue and redress more than ever, and remedy identified affected parties. When receiving reports, we ensure the anonymity of the person making the report and the confidentiality of the report.

JaCER Grievance Platform (https://jacer-bhr.org/en/application/index.html)

Periodic updates of information in response to the report through JaCER, including the nature of the report and its status, will be disclosed on the website of JaCER while ensuring the anonymity of whistleblowers.

Respect and Consideration for Human Rights

Consultation Desk for Employees

We have established an employee consultation desk called 7830 (Nayami Zero) to respond to worries and consultations from each individual employee. We have also posted the HR Help Guide Book on the Intranet and have widely informed employees about the consultation desk. This means we have established a structure in which it is possible for employees to consult with us.



HR Help Guide Book on the Intranet

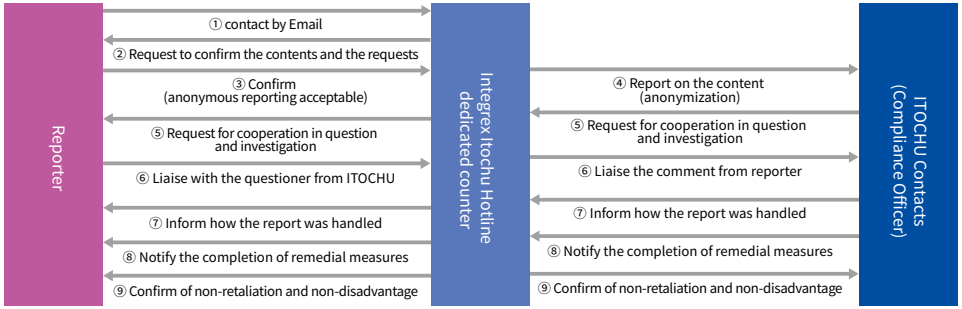
Career Counseling Center

ITOCHU established Career Counseling Center ahead of other companies. This center accepts workplace culture, human relations, treatment and harassment related consultations in addition to consultations on individuals' careers by telephone, fax and e-mail. Full-time career counselors with national qualifications as career consultants deal with these consultations.

Hotline

In addition to a direct hotline to those responsible for compliance in each division, we have also established multiple whistleblowing contacts both in Japan and overseas (including external whistleblowing contacts that utilize specialized company and external lawyers). We accept reports from employees who have an employment relationship with ITOCHU, those who have been dispatched to ITOCHU under a worker dispatch contract from a company that has entered into that contract with ITOCHU (temporary employees), and employees of group companies. It prohibits the unfavorable treatment (e.g., retaliation) of whistleblowers and allows whistleblowers to provide information anonymously.

■ **Flow When Received a Report by the Japanese External Report Reception Desk (Integrex Inc.)**

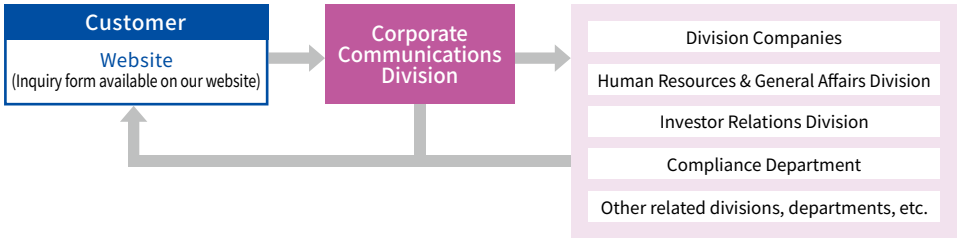


ITOCHU Corporation applied for recognition under the Whistleblowing Compliance Management System (Phase 1: self-declaration of conformity), which was newly introduced by the Consumer Affairs Agency of Japan. Our conformity with certification standards was confirmed and our registration was accepted as of April 10, 2019 (first to be registered in this system in Japan).

Consultation Desk for the General Public (including Stakeholders)

ITOCHU Corporation has established a system to accept opinions, proposals, and grievances and to accept inquiries from the general public and all our stakeholders, as described below.

At ITOCHU Corporation, we make use of opinions and suggestions from customers to improve customer satisfaction, facilitate stakeholder understanding, prevent risks, and other purposes, thereby helping to improve our corporate value.



Refer to: Inquiries (https://www.itochu.co.jp/en/inquiry/index.html)

Respect and Consideration for Human Rights

Initiatives

Implementation of Fair Recruitment

Human resources are the greatest management resources for ITOCHU – a company deploying a variety of businesses globally. ITOCHU conducts activities to recruit those newly graduating from universities and graduate schools every year.

• Relevant data: Number of Hires by Gender and Adoption Rate for Mid-Career (P196)

We also offer internships (work experience workshop) every year separate to our recruitment activities. The aim of these internships is to provide support to university and graduate school students in forming their careers. We provide opportunities to deepen knowledge about the business of trading companies and about working in a trading company.

ITOCHU recruits employees chiefly on the basis of their personal character. We recruit employees fairly and impartially without concern for their race, gender (including sexual minorities such as LGBTQs), religion, nationality, age or otherwise. We have provided human rights education with lecturers from the Tokyo Metropolitan Human Rights Promotion Center and have also reflected that content in our interviewer education. We have also established a watchdog system in which employees are selected and notified to serve as watchdogs to establish a fair recruitment screening system.

Training Programs

We raise awareness about the relationship between our corporate activities and human rights in our various internal training programs. We develop the mind to respect human rights that should be possessed as an ITOCHU person in our new employee training. For example, we hold training to acquire consideration for race, gender (including sexual minorities such as LGBTQs), religion, nationality and age from the basic concept of human rights and points of concern. We raise the problem of sexual harassment (including discriminatory behavior and harassment toward sexual orientation and gender identity) and abuse of authority in internal training aimed at organizational heads. We provide education and instruction for measures when harassment has actually occurred and when we have received reports of such. We strive to create an environment that does not allow harassment on a daily basis. Through these initiatives, we are aiming for a thorough understanding toward human rights. We are also striving to raise awareness in various regions by looking at consideration for human rights in our supply chain in pre-overseas assignment training. There were 1,320 participants in our human rights training in FYE 2025.

• Relevant data: FYE 2025 Human Rights Training Record (P198)

In addition to the above training, we provide opportunities for officers and employees of ITOCHU all over the world to learn about business and human rights with online general sustainability education.

• Refer to: Sustainability Awareness Activities at ITOCHU (P19)



Human Rights Training Participants

1,320 people (FYE2024)

Sustainability Seminars

We have continued to hold internal seminars since FYE 2008 on human rights issues. The aim of this is to adopt insight and opinions from those outside the company. We made business and human rights (in the supply chain) a theme in FYE 2019. We then looked at the fact consideration for human rights is becoming even more important as a trend in society surrounding sustainability in FYE 2020 and FYE 2021.

We are continuing to conduct awareness activities for business and human rights. The purpose of these is to learn about the latest trends concerning corporate activities and human rights problems and to make use of that in our business as a general trading company which deploys various businesses across the world and which plays an important role in the supply chain.

• Refer to: Seminar Details (P19)

Respect and Consideration for Human Rights

Various Publications

We are endeavoring to raise awareness of human rights. The aim of this is to ensure that human rights violations do not occur in the workplace. We are doing this through various publications that we distribute to all our employees and publish on the Intranet.

- We convey our basic concept on respect for human rights through The ITOCHU Group Code of Ethical Conduct and The ITOCHU Group Human Rights Policy to all our employees.
- We call on our employees not to induce human rights violations in business in our compliance handbook. We do this by establishing pages on respect for human rights and harassment with concrete examples.
- We have described checkpoints in a handbook on communication with our suppliers. This is so that those in charge of surveys can understand the actual state of the management of human rights and labor practices in suppliers even more clearly and so that they can then offer advice on making improvements. This ensures that the supply chain sustainability survey mechanism functions. At the same time, we utilize this in keeping those in our company informed.

Countermeasures against Harassment

ITOCHU is raising awareness on the importance of making systems well-known and engaging in communication through organizational head training. We are doing this so that pregnant employees and employees persevering with their work while being engaged in childcare and nursing care can also contribute to their workplaces with a sense of their work being worthwhile. This is without employees in the workplace being subjected to abuse of authority or sexual harassment (including disadvantaging and harassing employees who are applicable to sexual minorities). Superiors encourage employees with restrictions due to balancing their work with childcare or nursing care to make use of the related systems appropriately. In addition to this, we are also ensuring employees are fully informed about the importance of reviewing work content, work division and work styles over the entire workplace. Furthermore, we have thoroughly established a workplace environment which does not allow discriminatory remarks relating to sexual orientation or gender identification and remarks made under unconscious assumptions of gender segregation. We have also established a consultation desk where employees can safely seek advice regarding harassment from both internal and external parties, including business partners and clients.

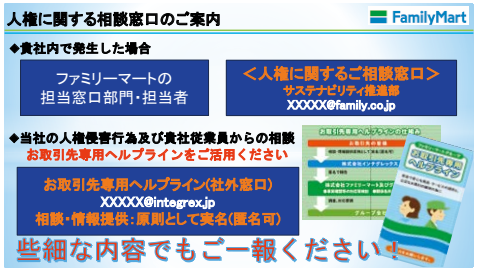
The following are clearly defined as prohibited acts in human rights violations under the work regulations: discrimination relating to work by race, gender, religion, creed, nationality, body, illness, age or any other irrational reason; sexual harassment (including discriminatory behavior and harassment relating to sexual orientation and gender identity); and workplace bullying. The regulations stipulate disciplinary action to be taken against such behavior.

In FYE 2024, we conducted “Harassment Prevention Training” targeting all manager level employees including those seconded from the company and assigned in overseas (approx. 1,800 individuals). During the training, there were lectures from experts on the causes and mechanism behind harassment and shared lessons learned from cases studies. We are striving for the elimination of any kind of harassment from all workplaces.

Human Rights Training for Ready-made Meal Manufacturers

FamilyMart, a group company, holds a regular (approximately once a year) Information-sharing Meeting on Human Rights Issues in the Supply Chain for managers involved in the hiring of ready-made meal manufacturers who supply products to FamilyMart stores and the formulation and implementation of labor-related policies. The aim of these meetings is to promote understanding of and prevent human rights risks.

The ITOCHU Group will continue to work to reduce human rights risks across our entire value chain.



Trainings at FamilyMart include information on consultation desks for human rights

Pineapple Production Business Promoting Local Employment, Supporting Living Infrastructure, and Improving Productivity

For more details, please refer to Community Contribution in Social Contribution Activities (P194).

An Oil Project in the Caspian Sea, which Ensures a Stable Resource Supply and Contributes to Local Communities for Harmonious Cooperation

For more details, please refer to Community Contribution in Social Contribution Activities (P194).

Cooperation with Stakeholders

Participation in Workshops on Human Rights Issues

- Business and Human Rights Academy (UNDP)
- Dialogue and Remedy Workshop (JaCER)
- Human Rights Education Subcommittee (GCNJ)

* In line with the revised company selection criteria for the Corporate Human Rights Benchmark (CHRB) undertaken by the World Benchmarking Alliance (WBA), we are not currently included in the CHRB assessment.

Responsibilities to Customers

Policy and Basic Concept

ITOCHU Corporation, which engages in multifaceted corporate activities in a wide range of fields in various regions around the world, believes that meeting the expectations of society through our business activities will maintain sustainability and lead to further growth.

We have limited direct access to consumers in much of our business due to our characteristics as a trading company. Nevertheless, we recognize the importance of quality and safety management. We fulfill our responsibilities to customers by promoting initiatives to ensure this concept penetrates into the value chain.

Product Safety

ITOCHU Corporation complies with our obligations as stipulated in safety related laws and ordinances for the products we handle. We are striving to ensure safety by formulating product safety manuals for each division company based on our policy of providing even safer products with greater peace of mind to our customers. We will continue to work on providing safe products with peace of mind in the future. We will do this while promoting internal education, setting up departments responsible for product safety, establishing information transmission routes and reviewing our response in the event a product accident does occur. For related initiatives, please refer to “Sustainablity in the Value Chain (P179)”.

Responsible Marketing

We engage in responsible advertising and marketing that fully takes into account our social responsibility. We do this under our Corporate Mission “*Sampo-yoshi*”, the ITOCHU Group Corporate Guideline of Conduct, “I am One with Infinite Missions,” and our Code of Ethic Conduct. We accept expectations and requests from society through two-way dialogue with stakeholders. We then put them into practice.

Advertising

We have unified the visual image of ITOCHU to improve and ensure the penetration of our brand image to customers. Internal regulations have been developed to advertise and perform publicity with the appropriate expressions, content and media. We also give due consideration to slander, discriminatory expressions, exaggerations and false representations, religious and political beliefs, the environment, third party privacy, personal information and intellectual property rights. This is done in accordance with our sustainability policy. We promote appropriate advertising and publicity initiatives by sharing knowledge on advertising and publicity activities through regular meeting for the group companies.

Marketing

We are thoroughly committed to creating content and expressions that do not cause misunderstanding and which do not infringe upon the rights, credibility and honor of others. This is done under relevant laws and ordinances, our internal regulations, various internal training programs and our company-wide compliance structure. We carry out responsible marketing activities by emphasizing dialogue with the various stakeholders around us in the diverse business activities we deploy on a global scale.

Individual Policy

Safety of Food Products

The Food Company is engaging in food safety management based on the following mission and activity guidelines.

Philosophy

FOR THE NEXT GENERATION

Mission

1. To contribute to the sound development of society while gaining strong trust from consumers
2. To provide health and happiness to people by realizing rich food lifestyles through the stable supply of safe food
3. To contribute to the interests of consumers, business partners, shareholders and employees through fair corporate activities

Food Safety Policies

The following serve as the concrete action guidelines to achieve our basic philosophy and mission. We comply with laws, ordinances, the ITOCHU Group corporate mission and code of ethical conduct. We then thoroughly inform all relevant employees in the Food Company about these. Upon doing that, we engage in food safety management and fair business which form the basis of trust from consumers.

The Food Safety and Compliance Management Section gives instructions and guidance on the above in the Food Company Group.

Responsibilities to Customers

Responsible Food Business: Commitments and Policies

The ITOCHU Group aims to support people's lives by providing various products and services. In doing so, we aim to ensure the best quality in our offerings by comprehensively managing the entire supply chain of our products and services, from the procurement of raw materials to the retailing of finished products. We develop a value chain that caters to consumer needs, is ensured to add top-quality value, and seamlessly connects various processes, from the development of food resources, the supply of raw resources, production and processing, midstream distribution, and retail. Our Food Company synergizes these business aspects throughout the Japanese, Chinese, and greater Asian markets. At the same time, by continuously improving and refining our management and controls around food safety, we aim to become a leading company in the global food industry.

ITOCHU Group takes a market-oriented approach, incorporating the needs and expectations of the market and consumers as an integral part of our business model. Our food retail business, which includes FamilyMart, is no exception. We first and foremost consider the needs of our customers, and based on these insights, we build a value chain that adds value, spanning from the development and manufacturing of products, to the procurement and production of raw materials.

As for our food business, we identify the issues noted in the table below as material topics that especially require our careful management to provide safe and reliable food products. It is subsequently our policy to commit to addressing each of these issues.

Material Issue	Description	Management Approach
Reducing Negative Product Impact of Food Products on Customers	Ensuring the safety of imported food products, processed foods, and fresh food produces (E.G.,Coping with biological, chemical and physical hazards)	● Self-management system for food safety ● Assessments for supplier's management systems in place to ensure food safety (factory inspections and audits)
Responsible Advertising, Marketing, and Promotion of Food Products	Provision of information regarding food allergies and additives.	● Management rules for food labels ● Improvement initiatives regarding inspection skills of label contents
Responsible Advertising, Marketing, and Promotion of Alcoholic Beverages	Provision of information regarding the prevention of drinking among persons under 20 years of age and pregnant women	Internal education programs on the liquor tax law
Access to Better Nutrition	Providing nutritiously balanced solutions to the elderly	Cooperation with regional hospitals and nutritionist organizations

Improving Access to Better Nutrition

As part of its commitment to realize a high-value-adding business, one of our major concerns in the food business area is access to nutrition.

In developed countries, aging society is a pervasive issue. Elderly populations with unbalanced nutrition or lack of nutrition are increasing, straining medical budgets as well as caregivers. Furthermore, for conditions such as acute forms of diabetes and liver disease that require home care, there is a widespread need to secure nutrition balances that are healthy, nutritious, and prevent obesity.

FamilyMart, a group company, has implemented unique initiatives to respond to the rise in health consciousness. Under its private brand Famimaru, FamilyMart offers a lineup of health-conscious products. Through clear icons for protein, dietary fiber, and carbohydrates on relevant products, FamilyMart has received favorable feedback from consumers who seek to balance delicious food and good health.

Furthermore, we recognize that in developing countries, hunger and malnutrition are socially important issues caused by various elements including poverty. At ITOCHU Group, in order to take action in solving these issues we have implemented various initiatives. For example, we provide financial support to the World Food Programme (WFP) and working with Table for Two (TFT), which aims to alleviate the dietary inequality between developed and developing nations. In this way, we aim to provide high quality, nutritious food solutions to the children of developing countries.

Throughout the initiatives introduced above, we provide products and services and engage in community investment activities to support the nutrition and health of people in and out of Japan. We will commit to continuing these initiatives to enhance self-care, reduce medical expenditure, and provide healthy food options to children living in poverty, to contribute to solving issues of access to better nutrition among underprivileged groups.

Safety of Pharmaceuticals and Responsible Marketing

Pharmaceutical Quality and Safety

We contribute to the fulfillment of medical needs by delivering a stable supply of pharmaceutical raw materials and products at the level of quality required of pharmaceuticals. Additionally, we will satisfy latent medical needs by working on clinical development in new drug development to enable treatment of heretofore difficult-to-treat diseases. Our main market is Asia, including Japan, but we will also work on procurement and sales in Europe and the United States. We ensure safety in product supply and clinical development in accordance with Pharmaceuticals and Medical. Devices Act.

Pharmaceutical Ads and Labels

Final pharmaceutical products are sold only to licensed companies. We do not engage in advertising. We are taking necessary measures to ensure appropriate product labeling throughout the manufacturing and deployment process in legal compliance with the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices.

Responsibilities to Customers

Targets and Action Plan

Risks	Opportunities
• Decline in credibility that would result from the occurrence of consumers and service users' safety or health issues.	• Increase in demand for food safety, security and health improvement.

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators (Non-Consolidated)	Degree of Progress
Food Company								
Contribute to Healthier and More Affluent Lifestyles		Food Safety	Supplying safe, secure food	Overall food-related businesses	We will select and concentrate on suppliers to stably procure safe, secure food.	We will aim to strengthen the food safety management structures in our suppliers. We will do this by persons with certifications/ qualifications related to the Food Safety Management System (FSMS) taking the central role in enhancing supplier audits and making requests for improvements.	Stably supply safe and secure food by enhancing the audits and guidance for suppliers mainly by the persons with certifications/qualifications related to the Food Safety Management System (FSMS).	We conducted inspections to 369 factories. We are continuing to stably supply safe and secure food. We are achieving this by continuing to enhance the audits and guidance for suppliers mainly by the persons with certifications/qualifications related to the Food Safety Management System (FSMS) or in-house qualification holders related to factory audit.
Machinery Company								
Contribute to Healthier and More Affluent Lifestyles		Food Safety	• Address Climate Change • Develop a Rewarding Work Environment • Respect and Consider Human Rights • Contribute to Healthier and More Affluent Lifestyles • Stable food procurement and supply	DENBA products and related business	We will contribute to the reduction of food loss by utilizing freshness preservation technology.	Retain food freshness and reduce consumption of edible oil through promotion of DENBA products.	• Expand sales of DENBA Fresh Pro and DENBA Fryer in the super market and restaurant chain industry. • Improve diffusion of DENBA Marine for ship warehouse.	• In 2024, approximately 1,450 units of DENBA Fresh Pro, DENBA+, and DENBA Fryer were sold, mainly to supermarket and restaurant chains. These products helped reduce food loss by preserving meat freshness in refrigerated showcases and cutting waste oil in deli sections. • A total of eight units of the food freshness system have continuously been in use at children's cafeterias since 2023. • Around 150 new units of DENBA Marine, for ship food storage, were sold, bringing the total number of installations to over 400 units—an increase of more than 40 from the previous year.
Energy & Chemicals Company								
Contribute to Healthier and More Affluent Lifestyles		Medical Health	Promoting good health among people	Pharmaceutical products	We will contribute to improve people's health and working environment through accelerating the development of pharmaceuticals and other products in fields with significant needs including cancer-related fields.	Actively promoting to support the development and marketing of new pharmaceutical and generics.	Aim to accelerate the deployment of pharmaceuticals on the market, obtain early approvals for new pharmaceutical, generics and other products of which we are engaged in supporting the development and place them on the market.	• Continuing to maintain a stable supply of pharmaceutical raw materials and other products to pharmaceutical manufacturers in Japan and overseas and support for launch some new generics products by ITOCHU CHEMICAL FRONTIER Corporation.(launched in FYE 2025: generic anticancer drug, generic antiepileptic drug, and generic hypercholesterolemic drug) • We have continued to sell a pain reliever in North America through ITOCHU CHEMICAL FRONTIER Corporation. • ITOCHU CHEMICAL FRONTIER received the 2024 TOP ESG Supplier Award from GE HealthCare Technologies (the world's largest contrast media manufacturer) for its stable supply of iodine, including recycled products.
ICT & Financial Business Company								
Contribute to Healthier and More Affluent Lifestyles		Medical Health	Promoting good health among the people	• Support pharmaceutical development projects • Preventative healthcare-related business • Medical healthcare IT business • Sales of Cutting-Edge medical devices and provision of medical services	• We will provide value-added services for pharmaceuticals and medical sites, and will contribute to the improvement of people's quality of life (QOL) by utilizing cutting-edge ICT tools. • We aim to improve quality of life by providing cutting-edge medical devices and advanced medical services in the field of medical care, where technologies are innovated rapidly.	• We will optimize healthcare utilizing medical data. • Promote sales of advanced medical devices, and the business of supporting the operation of designated regional cancer care hospitals.	• Realization of new services and business development relating to medical data. • Increased penetration of medical devices that enhance quality of life, such as scalp cooling therapy systems.	Introduction of a scalp cooling therapy system for cancer patients that is effective in reducing hair loss caused by anticancer drug treatment. Currently installed at 103 facilities (as of FYE 2024 79 facilities), with a total of 4,100 patients (as of FYE 2024 2,900 patients) using the system.

Responsibilities to Customers

Structures and Systems

Food Safety Management

With the diversification of dietary habits, the globalization of food distribution, and a growing awareness regarding health issues, consumers are increasingly paying attention to the safety and security of their food. At the same time, there have been cases of incidents and problems threatening food safety, such as those regarding violation of food labeling standards, residual pesticides, and the distribution of foods using unauthorized additives. Our Food Company addresses these concerns and ensures measures are taken to prevent issues by establishing a food safety control system overseen by its Food Safety and Compliance Management Section. That office is responsible for addressing the following issues:

1. Advise to Company and their respective domestic and overseas subsidiaries in their initiatives to design a food safety self-management system.
2. Management of the labeling and safety-related issues of our food products.
3. Provision of education and training to employees regarding food safety.
4. Provision of training to members of our food safety management team in China.
5. Food safety audits and subsequent corrective guidance for subsidiaries and supplier factories.

In addition to the above, the Office is responsible for the management of compliance, trade and logistics, and environmental activities, occupational health and safety, and sustainability promotion.

Supplier Management Audits for our Food Business

Due Diligence for New Suppliers

When the Food Company conducts business with a new business partner, the Company is required to assess the potential supplier's management level of the manufacturing process, and whether it has received certification recognized by GFSI (Global Food Safety Initiative). In doing so, we use an internal assessment criteria that is designed to evaluate practices around food safety management.

Securing the Safety of Food through Regular Audits of Overseas Suppliers

ITOCHU Corporation established the Food Safety Management Office (now: Food Safety and Compliance Management Section) in the Food Company in FYE 2003. We are taking wide-ranging measures to ensure safety in the food business. As part of this, we have been conducting regular visits and audits of the food processing factories of overseas suppliers for imported processed food since FYE 2012.

The sales department is responsible for appointing an employee, local staff, or group subsidiary employee to perform site visits and audit the safety management system at least once a year. The frequency and timing as well as the specific sites subject to audits are agreed upon with the local factory, with consideration given to specific circumstances as the supplier's local laws, management capability, product, and hygiene-related risks associated to the manufacturing process.

Auditors are required to reference a Plant Audit Check Sheet that we have originally devised, which incorporates elements of well-known international food safety standards such as Codex HACCP, ISO 22000, and FSSC 22000. Any points of improvement identified through the checklist are appropriately addressed, and necessary corrective measures are ensured to be communicated. In addition to the above, we set up a new China Food Safety Management Team in Beijing in January 2015. The aim of this is to strengthen the safety management of imported food. We have been dispatching a member of our Japanese staff with a wealth of practical experience in factory audits (IRCA* ISO 22000 auditor qualification holder) as a trainer. Through this, we have been building a management structure at a comparable level to that required in Japan. In addition to regular audits by Chinese supervisors, we are increasing opportunities for mutual confirmation through follow-up audits to ensure continuous improvement.


Food Audit

*International Register of Certificated Auditors

For overseas suppliers, our factory audit procedure and results are as follows:

■ **Factory Audit Procedure**

Process	Description
Target and Frequency Settings	The responsible sales department and the Food Safety and Compliance Management Section determines the frequency of audits for each relatively high risk factory identified as a manufacturing plant for processed food, in accordance with laws and regulations of the relevant country. The decision of the audit frequency considers specific circumstances such as the supplier's local laws, management capability, product, and hygiene-related risks associated to the manufacturing process.
Conducting the Factory Audits	The sales department is responsible for appointing an employee, local staff, or group subsidiary employee to perform site visits and audit the safety management system periodically based on the frequency setting – relatively high risk plants are currently subject to these site visits.
Issuing a Findings Report and Requesting Corrective Measures (as Per Necessary)	The final report must be created in line with the GFSI/Global Market Program factory audit framework (GMP + HACCP + management system + food defense).

■ **Regular Audits to Ensure Food Safety**

	FYE 2023	FYE 2024	FYE 2025
Regular Audits (Number of Factories)	331	339	369
Regular Audits and Follow-up Audits in China (Included in the Above Number of Audits)	42	42	32

Responsibilities to Customers

Subsidiaries that have ISO22000 or FSSC22000 Certifications

Furthermore, we also ensure food-related safety among our direct subsidiaries by implementing a management system that aligns to well-known international frameworks on food safety, such as Codex HACCP, ISO22000, and FSSC22000.

- ITOCHU FEED MILLS CO., LTD.
- FUJI OIL Co, Ltd.
- PT. ANEKA TUNA INDONESIA
- WELLNEO SUGAR Co., Ltd.
- Prima Meat Packers, Ltd.
- PT. ANEKA COFFEE INDUSTRY
- JAPAN NUTRITION Co., Ltd.
- DOLE ASIA HOLDINGS PTE. LTD.
- Provence Huiles S.A.S.

Staff Education and Training to Ensure Compliance to Responsible Advertising, Marketing, and Promotion Standards and Food Safety Standards

We provide e-learning as an education and training program to ensure responsible advertising, marketing, and promotion of food products, and compliance to food safety standards. We are looking to raise awareness and improve knowledge about responsible marketing, food safety, and compliance with relevant laws and regulations among employees. Furthermore, given the expansion of our food business and the subsequent increase in our auditing scope, we are also invested in training personnel capable of site audits.

Main Content	• Food safety and responsible advertising, marketing, and promotion • Compliance • Internal regulations and manuals • ESG
Target Persons	• All employees in the Food Company (including part-time workers, temporary workers, employees seconded from the company and employees seconded to the company) • All employees in the Food Management Support Corporation (subsidiary to complement the functions of the Food Company)

■ **Attendance Record**

	FYE 2023	FYE 2024	FYE 2025
Number of Trainees	770	761	759
Attendance Rate	100%	100%	100%

We will continue to provide this education and training with the aim of ensuring that knowledge becomes reliably entrenched.

Participation in Food Safety-Related Initiatives and Organizations

At ITOCHU Group, we aim to maintain and enhance our quality management to ensure that we supply safe and reliable processed foods. In doing so, we make sure to cooperate with external parties and are members to industry groups in order to engage in knowledge sharing and collaboratively work toward enhanced solutions.

Association for the Safety of Imported Food, Japan (ASIF) (Japanese only) (https://www.asif.or.jp/)

A group of concerned companies involved with importing, manufacturing, distribution, and sales formed ASIF in November 1988, beginning to work towards solving imported food safety issues. These activities led to the ASIF receiving permission from the Ministry of Health, Labour and Welfare in September 1992 to become an incorporated association. ASIF received authorization to become a public interest corporation on April 1st, 2011. ASIF is involved in a wide variety of activities to support food vendors in fulfilling the social responsibility of “delivering safe and secure imported foods.”

In order to promote food safety, the ITOCHU Group collects information on the safety of processed food and perishable food regarding imported food product – (e.g. Coping with biological, chemical and physical hazards) – from the Association for the Safety of Imported Food of Japan. This information is reflected in our voluntary food safety management system as well as our supplier food safety management system (which includes factory inspections and audit).

Japan Food Hygiene Association (Japanese only) (https://www.n-shokuei.jp/)

This association was established on November 1st, 1948 as a collaborative initiative between private companies in the food sector and administrative organizations regarding the food hygiene law in order to enhance self-regulation in the market. The establishment of the organization shortly followed the enactment of the food hygiene law in 1947, which was created to prevent any accidents or issues regarding eating and drinking, as well as improve public hygiene in Japan.

Ever since its establishment, the association has continued its initiatives to cooperate with organizations throughout Japan, and contribute to the enhancement of food safety and hygiene among private companies. The association participates in a wide range of purpose-led initiatives for public interest, and provides training regarding the self-regulation of food safety management, provides assessments and verifications of certain food products, promotes food sales legal liability insurance, holds seminars and events, issues and promotes food hygiene related books and reports, provides informative guidance to consumers, participated in international cooperation regarding food hygiene, and promotion of relevant research.

Based on advice received from the Japan Food Hygiene Association, the ITOCHU Group is taking necessary measures to continuously improve its food safety management system by identifying ways to improve food hygiene and our self-management system.

Japan Food Additives Association (Japanese only) (https://www.jafaa.or.jp/)

The Japan Food Additives Association (JAFA) was established in October 1982 with the Nippon Food Additives Group Leagues serving as the parent body to disseminate correct knowledge about food additives. It then transitioned to being a general incorporated association in April 2014. The association is engaged in various activities under the guidance of the Ministry of Health, Labour and Welfare’s Pharmaceutical Safety and Environmental Health Bureau. The aim of these activities is to seek a correct understanding from members about the manufacture, sale and use of food additives and from regular consumers about the safety and usefulness of food additives.

The ITOCHU Group collects information about food allergies and food additives through the JAFA. This information is useful in checking food labeling registration management rules and labels, improving the level of inspection management, and training personnel with qualifications in food labeling.

Responsibilities to Customers

Quality Management in our Pharmaceutical Business

Pharmaceutical undertakings require sector-specific expertise and is therefore primarily handled by designated group companies. We implement quality control to ensure quality in accordance with the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices. This includes, for example, assessing and confirming the quality of imported materials at our lab before it is sold.

Assessing Management Capabilities at our Pharmaceuticals-related Suppliers and Contributing to Improved Quality of Life (QOL)

Regular Site Visits for Foreign Suppliers

Not only do we implement quality control at our lab but we also visit our overseas suppliers regularly and perform inspections to make sure that the manufacturing process conforms to the Pharmaceuticals and Medical. Devices Act.

Contribution to Improving QOL in the Pharmaceutical Field

We contribute to controlling the rise of medical costs by providing a stable supply of raw materials for generic drugs. We will also invest in companies that develop regenerative medicines and new drugs to alleviate the side-effects of cancer and work to raise the level of future treatments and improve patient quality of life.

ISO 9001 Certification of the ITOCHU Group

The ITOCHU Group is engaged in a diverse range of businesses, and each business unit must respond to the needs of different markets and customers. This requires quality control standards and methods appropriate to each industry. Various group companies have established management systems for quality control appropriate for their industries and have acquired ISO 9001 certification as necessary.

Number of companies in ITOCHU Group that have acquired ISO 9001 certification	87 out of 608 companies (14.3% of the entire Group)
Major subsidiaries within ITOCHU Group that have acquired ISO 9001 certification	● ITOCHU INDUSTRIAL GAS Co., Ltd. ● ITOCHU Techno-Solutions Corporation ● ITOCHU LOGISTICS CORP. ● DAIKEN CORPORATION ● C.I. TAKIRON Corporation ● Murfitts Industries Limited

Initiatives

Initiatives to Support Socially Vulnerable Groups

Handling Plant-based Milk (Oat Milk and Almond Milk)

ITOCHU Corporation is developing oat milk and almond milk among the plant-based milk products made from beans, nuts and other plant ingredients.

Plant-based milk is becoming popular as an alternative to cow's milk that can also be drunk by those with lactose intolerance who cannot digest lactose. Oat milk and almond milk are especially healthy as they have lower fat and calories than cow's milk. They contain lots of dietary fiber and go well with coffee. Therefore, demand is also growing for them in the United States and Europe. Furthermore, they can contribute to a reduction in the environmental burden in terms of CO_2 emissions, land and water usage compared to cow's milk. They are sustainable ingredients characterized by the ability to store them at room temperature and their long best before dates. We are building a raw ingredient import and domestic manufacturing structure to widely deliver to consumers this nutritional, healthy and environmentally-friendly plant-based milk. We are also proposing development that includes product design.

Focusing on contributing to and strengthening initiatives for SDGs, we will also proactively promote the development of plant-based milk in the future with a target of handling 5,000 tons of it in FYE 2026.



Target of Handling **5,000** t
of Plant-based Milk (Oat Milk, Almond Milk) by 2025

Responsibilities to Customers

FamilyMart

FamilyMart, a group company, engages in food retail that first and foremost values the local community's needs. FamilyMart highly values the contributions it can make to socially vulnerable groups, and implements measures in this area throughout its business in the following ways.

Preventing the Sale of Alcohol and Tobacco to Persons Under 20

FamilyMart sells alcoholic beverages and tobacco. As a responsible business operator and as a response based on the Safety Station Activities Charter (Initiative to Improve the Environment for Youths) of the Japan Franchise Association to which FamilyMart belongs, FamilyMart thoroughly prevents the sale of alcoholic beverages and tobacco to persons under 20 years of age. FamilyMart has created a Guidebook for Compliance with Laws and Regulations Concerning the Sale of Alcohol and Tobacco. Based on the concept that drinking alcohol under 20 years of age leads to the risk of developing acute alcohol addiction or alcohol dependence in the future, this guidebook summarizes the areas for compliance when advertising, publicizing and selling alcohol and tobacco, and methods for educating employees. Furthermore, FamilyMart provides the following education and awareness campaigns to company and franchise store employees and shares warnings to customers, ensuring it does not sell alcohol and tobacco to persons under 20 years of age.

1. Warning to Customers

FamilyMart shares warnings with customers about the sale of alcohol and tobacco, and displays products in the alcoholic beverages section so they can be recognized as such. In addition, FamilyMart posters and sales promotional materials explain that FamilyMart will not sell alcoholic beverages to those whom cannot be confirmed to be at least 20 years old.

Every week, store managers and supervisors in charge of sales guidance verify whether display of alcoholic beverages at the store and their classifications are carried out properly as required by law, and confirm the presence of posters and other items that prohibit persons under 20 years of age from drinking and smoking.



Alcoholic drink sales product display



Age verification poster

2. Age Verification at the Register

At the register, when alcohol or tobacco products are scanned, a message indicating that age verification is in progress is displayed on both the store staff's and the customer's register screens simultaneously with audio guidance. This serves to alert the store staff and conduct age verification for the customer.

3. Training of Store Staff

We conduct training for all employees working in the store using the Alcohol and Tobacco Sales Compliance Guidebook and the Store Staff Training Tool to identify alcohol and tobacco products and follow the age verification procedures at the register. Additionally, we implement training on alcohol and tobacco sales through a Periodic Risk Prevention Training twice per year. Upon completion, employees sign a Periodic Risk Prevention Education Record, which is then verified by the store manager and supervisor. Furthermore, newly hired employees who will operate the register receive training with the Welcome Book before they begin dealing with customers.

4. Advertising and Promotion of Private Brand Alcoholic Beverages

FamilyMart labels alcoholic beverages in the Famimaru private brand of FamilyMart based on the Voluntary Code for the Advertising and Marketing of Alcoholic Beverages and the Labeling of Alcoholic Beverage Containers established by the Japan Liquor Industry Council. Furthermore, FamilyMart stores which handle alcoholic beverages also handle non-alcoholic beverages as an alternative to alcoholic beverages for customers who are 20 years of age or older.

Development and Provision of Products and Services that Promote Health and Reduce Negative Impacts

As we face the challenges of an aging society, the increase in national healthcare costs and the number of individuals requiring long-term care have become significant issues. In this context, FamilyMart is committed to supporting each individual in maintaining their health by offering a variety of products and services that promote health, and to enhancing self-care in the community. Under its private brand Famimaru, FamilyMart has a lineup of health-conscious products with clearly displayed icons for information of interest to customers such as protein, dietary fiber, and carbohydrates on the relevant products, making it easier for consumers who seek to balance delicious food and good health to identify and choose suitable options.

1. Amidst the growing health-consciousness and the desire for easily enjoyable daily meals, FamilyMart is implementing initiatives to provide clear displays in-store.

- This allows individuals to feel more at ease and enjoy their meals at their nearby convenience store. Under its private brand Famimaru, FamilyMart uses icons for information of interest to customers such as protein, dietary fiber, and carbohydrates on health-conscious products, making them easily understandable to customers with a quick glance.



Responsibilities to Customers

- Under its private brand Famimaru at FamilyMart, FamilyMart sells a range of snacks in the low-carb series, including ingredient-based sweets and bean snacks. The packages display the low-carb mark, which is certified by the Food, Pleasure, and Health Association. FamilyMart also includes the amount of low-carb carbohydrates, making it convenient for customers to control their carbohydrate intake. Unlike calorie restriction, the low-carb approach promotes gradual carbohydrate control and encourages enjoyable and delicious meals while recommending the consumption of appropriate carbohydrates. It is said that by keeping the low-carb carbohydrate* intake between 20-40g per meal and limiting snack low-carb carbohydrates to 10g, postprandial blood sugar levels can be controlled (source: Food, Pleasure, and Health Association).

* The low-carb carbohydrate content is calculated based on available carbohydrates and has a value of 4kcal per gram. This differs from the calculation basis of regular carbohydrates. It was developed based on the concept of the Food, Pleasure, and Health Association's mission to encourage people to "eat deliciously, enjoyably, and healthily."

2. FamilyMart offers nutritionally balanced and delicious health support products that prioritize taste.

- In August 2018, its pre-order lunchbox, "Aburiyaki Salmon Makunouchi Bento," developed with the concepts of "deliciously low-sodium" and "packed with vegetables," became the first meal at a convenience store to be certified as a nutritionally balanced meal containing elements that contribute to health (commonly known as a "smart meal"). The certification was based on criteria established by analyzing menu plans from four school lunch providers, following the Ministry of Health, Labour and Welfare's "Guidelines for Providing Meals for Preventing Lifestyle-related Diseases and Promoting Health" (September 2015) and the Japanese Dietary Reference Intakes (2015 edition). It underwent evaluation by the "Healthy Diet and Food Environment" Consortium, consisting of multiple academic societies including the Japan Society of Nutrition and Food Science, and received certification. Additionally, its "Tasteful Ozen" meal, which has also received the smart meal certification for three menu items, has been well-received for its nutritionally balanced composition, vibrant vegetable colors, and gentle flavors.

- In September 2024, we launched a functional food tea product under the joint brands of Suntory's Iyemon and FamilyMart's Famimaru, containing tea catechins as a functional ingredient reported to help reduce visceral fat in individuals with a higher BMI. By co-developing with the Iyemon brand, we offer great taste at a price point typical of private brands, making it easy to enjoy daily and incorporate into customers' regular routines.



Famimaru Iyemon green tea

Please refer to the FamilyMart Sustainability Report 2024.
https://www.family.co.jp/content/dam/ family/english/sustainability/report/pdf/2024/FM_ Sustainability_2024_all_en.pdf

Food Safety and Reliability

FamilyMart aims to provide ready-made meal such as rice balls, sushi, boxed lunches, delicatessen dishes, salad, and sandwiches that ensure safety and reliability for its customers. To achieve this, FamilyMart has voluntarily enhanced its safety and quality requirements to build upon what is legally required. Throughout every process of production, from procurement of raw materials and manufacturing to the logistics and sales of products, FamilyMart makes it mandatory to follow these strict requirements and have implemented support systems to ensure that this can be sustained. FamilyMart also especially values the continuous improvement of hygiene management among contracted manufacturing factories for its ready-made meal and are implemented measures accordingly. Moreover, FamilyMart is also invested in reducing additives in its food products and aim to ensure that the safety and reliability of its products are at a high level.

Process	Initiative
Ingredient Management	• Ingredient reviews based on quality and hygiene management standards
Manufacturing and Quality Control	• Bacterial tests (monthly) • Factory inspections on all ready-made meal manufacturing sites (quarterly) • Quality product assurance meetings (weekly) • Quality control supervisor meetings (semiannual)
Distribution Management	• Distribution center facility management • Storage and transportation by temperature zone – frozen, chilled, and fixed temperature
Store Management	• Education on hygiene management at stores • Implementation of hygiene management in accordance with HACCP

Community Engagement for a Brighter Future

As a member of the Japan Franchise Association, FamilyMart has been promoting the Safety Station Activities, an activity to help protect the safety of local communities, since 2000. This activity was launched by the National Police Agency, where initiatives, such as anti-crime measures, disaster prevention, safety measures, a thorough prohibition against the sale of cigarettes and alcohol to people underage to urge those people to go home at late night, are actively promoted in collaboration with the government, municipalities, and community people. As part of FamilyMart Safety Station activities, it also provides protection to vulnerable groups such as children, women, and the elderly in case of emergencies, and provide guidance and support for youths to build an inclusive community.

Furthermore, FamilyMart also sets up donation boxes at its stores as part of an initiative to contribute to the protection and development of future generations, as well as preserving the natural environment for these future generations.

Responsibilities to Customers

WELLNEO SUGAR Co., Ltd. (https://www.wellneo-sugar.co.jp/english/index.html)

Achieving Well-being by Opening Up the Power and Potential of Sugar

While fulfilling our mission of providing a stable supply of sugar, a daily necessity, WELLNEO SUGAR Co., Ltd. (“WELLNEO”) will contribute to the well-being of various stakeholders by providing products and services that are both tasty and healthy to our customers, while placing importance on a market-in perspective. With this in mind, we are committed to the purpose of “Achieving well-being by Opening Up the Power and Potential of Sugar.”

As one of its materiality, WELLNEO has set “improving the quality of life by solving food and health issues” and aims to improve consumers’ quality of life through “proposing and realizing solutions that harmonize sugar and healthy living” and “disseminating information to solve issues at each life stage.”

FUJI OIL Co., Ltd. (https://www.fujioil.co.jp/en/)

Development and Provision of Products and Services that Promote Health and Reduce Negative Impacts

Fuji Oil Co., Ltd., one of the Group companies, develops products that promote consumers’ health. At the same time, it develops products and services that reduce negative impacts.

1. Initiatives to Reduce Trans-fatty Acid Content

High intake of trans fatty acids generated during the manufacture of processed foods increases the risk of heart disease. In response to guidelines published by the World Health Organization (WHO), Fuji Oil Co., Ltd. is advancing the production of low trans fatty acid oils and fats through manufacturing processes that do not generate trans fatty acids.

From FYE 2020 over a period of three years, under the supervision of the Board of directors, Fuji Oil Co., Ltd. are promoting initiatives to reduce the trans-fatty acid content of our products. This includes plans to reduce the trans-fatty acid content in the products of our group company, which are based in countries where high intake is noted, to align with WHO recommended levels. This initiative was fully completed by the end of the first half of FYE 2025.

• Refer to:Targets, Performance and Progress in Product Improvement (https://www.fujioil.co.jp/en/sustainability/healthy_foods/)

2. Reduced Sugar Chocolate

Initiatives to prevent excessive consumption of sugar to prevent obesity and lifestyle-related diseases are attracting worldwide attention. For example, the World Health Organization (WHO) published guidelines in 2015 recommending the daily sugar intake of adults and minors to be kept to less than 10% of daily energy intake.

As a B-to-B food ingredient manufacturer, Fuji Oil Co., Ltd. is also developing and promoting the sale of sugar-free chocolate made without using sugar.

Prima Meat Packers, Ltd. (https://www.primaham.co.jp/en/company/)

Provision and R&D for Health-Conscious Products

As people become highly conscious of their health and lifestyle habits, more and more people become demanding functionality, such as health maintenance and promotion, in food products. Accordingly, sales of functional foods have been growing in the food market in recent years. A group company of ours, Prima Meat Packers, Ltd., has been conducting research and development for many years. In March of 2025, the company has been selling salad chicken products with functions such as alleviating stress and fatigue. In addition, these health-conscious products are sold under the Prima Healthy brand to make them easily identifiable.

Initiatives to Ensure Responsible Labeling

The Food Company operates a food label registration management guideline, which provides a detailed framework for us to responsibly label our food products. To ensure compliance to the guidelines, we also provide training to staff that belong to relevant sales divisions and the Food Safety and Compliance Team. The training aims to enhance our staff’s understanding of the food label registration management guidelines and their capability to conduct inspections and checks on appropriate food labeling. Given increasing importance for this issue and the increasing size of our food business, we are also aiming to leverage this training to increase the number of food labeling practitioners certified by the Food Labeling Certification Association, a Japanese industry organization. In this way, we maintain the necessary internal capacity to cooperate with specialized third party organizations to ensure compliance to our guidelines as well as legal requirements.

At FamilyMart, the responsible labeling of processed foods is especially important in order to ensure the safety of customers with food allergies and prevent the excessive intake of substances that can have adverse health consequences. In addition to information required by law to be listed on labels on private-brand products sold at FamilyMart (ingredients, nutritional ingredients, and preservation methods), FamilyMart lists a total of 28 items on the allergy labeling (eight items mandated by law plus 20 recommended items) to ensure customers can purchase products with peace of mind.

With regard to processed food and alcohol, we take particular care in ensuring responsible labeling. For example, we have implemented measures to simplify and clarify the warnings related to alcohol poisoning, alcoholism, and drinking under 20 years of age.

Responsibilities to Customers

Involvement in Industry Initiatives to Ensure the Safety of Alcohol Consumption

It is important to our business that we thoroughly address issues regarding the potential negative impacts of alcoholic products such as alcoholism, alcohol poisoning, and drinking under 20 years of age. We also recognize that these negative impacts are also especially important with regard to vulnerable groups. Therefore, our subsidiaries that sell alcoholic products are members to industry organizations introduced below, in order to participate in knowledge sharing and be in tune with the latest market trends and best practices.

Tokyo Alcohol Wholesale Cooperative (Japanese only) (https://tosyukyo.or.jp/)

Tokyo Alcohol Wholesale Cooperative is an organization with corporate members that participate in the alcohol business, aims to elevate the level of social responsibility associated to acquiring an alcohol permit. For example, the organization promotes legal compliance, engages in awareness raising of the negative social impacts that must be managed across various product types, leads initiatives to maintain cultural traditions around alcohol, leads initiatives to enhance the current culture around appropriate amounts of alcohol consumption, and supports companies in achieving sustainable business models. Throughout these activities, the Tokyo Alcohol Wholesale Cooperative contributes to the health and wellbeing of the Japanese population, and promotes market competition that is fair and complies with high standards. The Cooperative highly values harmonious cooperation among member companies, and has supported the sustained management of businesses throughout the industry and has subsequently led the development of the industry in general. NIPPON ACCESS, INC. and ITOCHU SHOKUHIN Co., Ltd., ITOCHU subsidiaries, are members of this cooperative.

Contributive Initiatives to Alleviate Hunger and Poverty in Developing Countries

World Food Programme (WFP)



We have become a supporter contributor of the Japan Association for the World Food Programme. This is an official support organization of the World Food Programme (WFP) – a United Nations organization to provide food support. The aim of our participation is to eliminate world hunger and poverty problems as much as possible. We support various activities through this scheme.


ITOCHU Employees Participating in the Walk the World Event

In May 2024, we supported WFP's child hunger eradication campaign called "Walk the World." The annual global walk aims to raise awareness and funds, as well as encourage action to end child hunger. This campaign was held in Yokohama, Nagoya and Osaka. Approximately 250 employees of ITOCHU Corporation and ITOCHU Group companies, including their family members, participated in the event.

Eliminating the Food Imbalance between Developing Countries and Advanced Countries: Table for Two

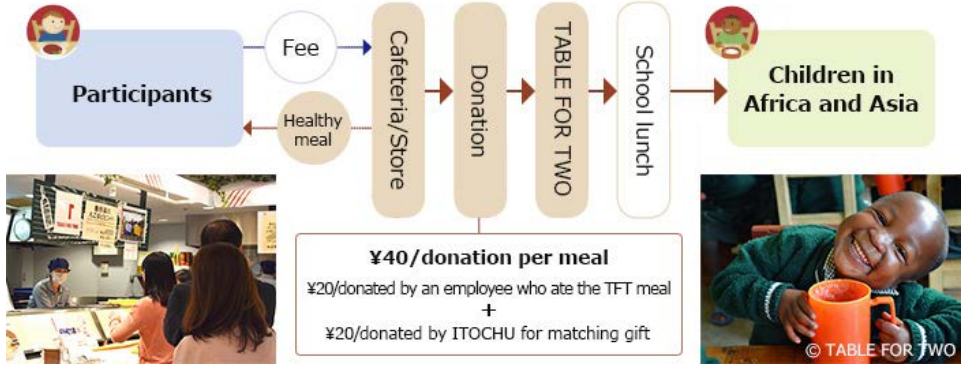


Table for Two is an international NPO that was founded by an affiliate of the World Economic Forum's Young Global Leaders. The organization aims to right the imbalance between the 1 billion people in the world who suffer from undernutrition, and the 1 billion people in the world who suffer from obesity. The organization does so by implementing a "calorie transfer" program, where the organization partners with companies, universities, restaurants, and organizations throughout the world to provide more nutritious school meals to the former, and healthier meals to the latter.

Table for Two was founded in Japan in October 2007. Owing to ITOCHU's long –standing commitment to social contribution, we were one of the first companies in Japan to partner with Table for Two and implement the calorie transfer program in our employee cafeteria at the Tokyo, Osaka, and Nagoya offices the following April.

More specifically, whenever one of our employees chooses a healthier TFT meal from our cafeteria menu, 20JPY is donated per meal. In addition, through a matching gift scheme, the company also donates the same amount of money as the employee, making the total donation 40JPY per meal. The donation contributes to providing nutritious school meals to children in developing countries.

Currently, our Tokyo Headquarters provides TFT meals.



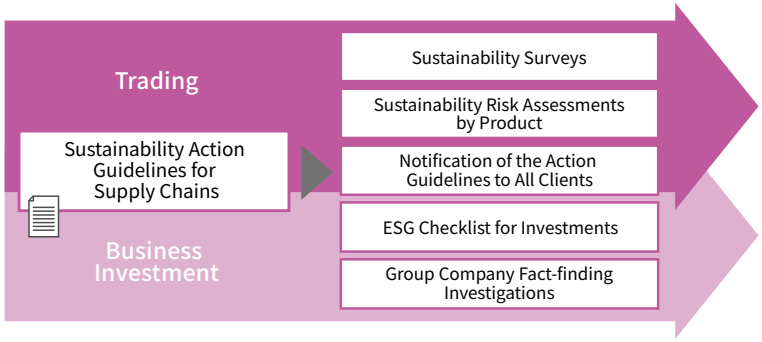
Sustainability in the Value Chain

Policy and Basic Concept

ITOCHU gives consideration to human rights, labor and the environment in our supply chain and business investments. We do this through sustainability management tailored to each business activity. Through this, we have built a sustainable value chain, leading to an improvement in the competitiveness and corporate value of the ITOCHU Group.

Notifying Suppliers of the Sustainability Action Guidelines for Supply Chains

We believe it is important to acquire understanding and cooperation from our suppliers for our procurement policies. Accordingly, we once again notified approximately 4,000 suppliers with whom we engage in ongoing business of the Sustainability Action Guidelines for Supply Chains in FYE 2014. We also stipulated that new suppliers must be notified of these guidelines in advance when engaging in business with us starting in January 2015, and further stipulated that not only suppliers but all clients with whom we engage in ongoing business must be notified starting in FYE 2026, deeping communication about our sustainability policy.



Sustainability Action Guidelines for Supply Chains

ITOCHU adopted the "Sustainability Action Guidelines for Supply Chains" to clarify and communicate the sustainability concerns we expect all clients and business partners to address. We will take the necessary measures to communicate and cooperate with all clients to ensure responsible management of the following items.
Clients and business partners shall comply as follows:

1. **Abuse and Harassment**
   Respect the human rights of all of employees and not engage in inhumane treatment, including discrimination, harassment, abuse and corporal punishment.
2. **Forced Labor and Child Labor**
   Prohibit forced labor or child labor including the employment of children under the minimum working age.
3. **Discrimination**
   Prohibit employment discrimination based on characteristics including but not limited to gender, race, and religion.
4. **Suitable Remuneration**
   Comply with statutory minimum wages, strive to exceed living wages, and not unjustly reduce wages.
5. **Freedom of Association and Collective Bargaining**
   Respect the freedom of association and right to collective bargaining of employees and ensure that labor-management discussions on working conditions and environment are held, as appropriate.
6. **Working Hours**
   Comply with statutory working hour restrictions. Properly manage employees' working hours, provide holidays and paid leave as necessary and strictly prohibit excessive overtime work.
7. **Safe and Healthy Working Environments**
   Take necessary measures to provide a safe, hygienic and healthy working environment to employees.
8. **Environment**
   Give due consideration to avoiding negative impacts on natural capital and local communities from pollution and other environmental issues with regards to business activities. Take the necessary measures to reduce consumption of energy, water and other natural resources, as well as emissions of greenhouse gases and waste.
9. **Anti-Corruption**
   Comply with all applicable local and international laws and regulations. Ensure compliance with fair business practices and anti-corruption, including prevention of conflicts of interest and anti-competitiveness.
10. **Information Disclosure**
    Disclose information on all items listed above in a timely and appropriate manner.

Established in April 2009
Revised in April 2025

Sustainability in the Value Chain

Targets and Action Plan

Risks	Opportunities
• Decline in credibility that would result from the occurrence of consumers and service users' safety or health issues.	• Increase in demand for food safety, security and health improvement. • Establishment of safe, stable supply system for product enabled by the consideration of human rights and improvement of work environment in the supply chain. • Winning customer trust or creating new businesses with a stable supply of environmentally friendly resources and materials.

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Textile Company								
Ensure Stable Procurement and Supply		Prevention of Pollution and Circulating Society	Reducing our environmental burden by circulating society	Textile products in general	We will contribute to realize a Circulating Society through our sustainable textile products and recycling of them.	Promote sustainable products and projects leading to the recycling of resources.	Promote the sustainable products such as "RENU", a recycled polyester derived from textile, and set up schemes to recycle textile products.	• The environmental impact of handling recycled polyester through the RENU project is as follows (estimated for FYE 2025). Waste volume to be made into "RENU": equivalent to 6.2 million T-shirts, CO_2 reduction: 1,906 tons, Water usage reduction: 6,416 kiloliters. • Approximately 4,300 collection points for "Wear to Fashion", the clothing recycling service (as of March 2025). • We are currently operating a joint project called the "ARChemia Project", which involves textiles and chemicals, and transforms used clothing into chemical products with high environmental added value. To date, more than 10 companies have adopted this project, and we are continuing to promote its expansion.
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		Value Chain	Establishing a value chain reflecting consideration for human rights and the environment	Textile products in general	We will promote dealings with companies which respect human rights and which engage in environmental management throughout their entire value chains.	Strive to understand at an early stage the human rights, social and environmental risks in supply chains by continually conducting surveys on major suppliers.	Conduct on-site visit surveys and questionnaires at more than 50 major suppliers a year on an ongoing basis.	In FYE 2025, surveys were conducted for 75 suppliers in China and the Asian region. As a result, no significant issues were identified. Appropriate feedback is provided on survey responses from suppliers to promote a sustainable supply chain.
Food Company								
Contribute to Healthier and More Affluent Lifestyles		Food Safety	Supplying safe, secure food	Overall food-related businesses	We will select and concentrate on suppliers to stably procure safe, secure food.	We will aim to strengthen the food safety management structures in our suppliers. We will do this by persons with certifications/qualifications related to the Food Safety Management System (FSMS) taking the central role in enhancing supplier audits and making requests for improvements.	Stably supply safe and secure food by enhancing the audits and guidance for suppliers mainly by the persons with certifications/ qualifications related to the Food Safety Management System (FSMS).	We conducted inspections to 369 factories. We are continuing to stably supply safe and secure food. We are achieving this by continuing to enhance the audits and guidance for suppliers mainly by the persons with certifications/qualifications related to the Food Safety Management System (FSMS) or in-house qualification holders related to factory audit.
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		Supply Chain	Establishing a supply chain reflecting consideration for human rights and the environment	Provisions field	We will develop a procurement structure compliant with third-party body certification and supplier-specific codes of conduct.	• We will promote procurement compliant with supplier-specific codes of conduct in coffee bean and cacao bean producing countries. • We will strengthen the handling of oil certified by the RSPO - a third-party certification organization for palm oil. • We will support the establishment of a promotion and distribution system in Japan for MSPO/ISPO in cooperation with domestic industrial associations. The aim of this is to encourage the use of certified oil systems in producing countries.	• Coffee beans: Promotion of procurement of products compliant with supplier-specific codes of conduct or certified products based on our procurement policy. • Cacao beans: Promotion of procurement of products compliant with supplier-specific codes of conduct (sustainable products) based on our procurement policy. • Palm oil: Procurement of palm oil based on our procurement policy. Promotion of the disclosure of the set KPI indicators and supplier information. **2030** • Coffee beans: Aim for a 50% switch to sustainable coffee beans. • Cacao beans: Aim for a 100% switch to sustainable coffee beans. • Aim for a 100% switch to sustainable palm oil.	• Coffee beans: procurement ratio of FYE 2025:32% The coffee market has reached an all-time high, leading various client companies to reduce the usage ratio of certified raw materials for cost-cutting purposes. Although the handling ratio decreased compared to the previous year, the target value (over 30%) was achieved. • Cacao beans (traceable products): procuremen ratio of FYE 2025: 65% (4,984 tons of traceable beans out of 7,728 tons total.) • Palm oil: Check supplier's sustainable palm oil sourcing policies through regular surveys, and continue purchasing based on our procurement policies. At the same time, we continue to publicize the ratio of RSPO certified Palm Oils and Traceable To Mill etc. • Ratio of RSPO Certified Palm Products/Oleo chemicals of FYE 2025 • Palm Oils 36% • Oleo Chemical Products 69% **Support Achievements to Each Producing Country (Qualitative)** • Coffee Beans:Next Generation Support/Ethiopia To contribute to the improvement of sanitary and educational standards in Ethiopia, the toilets at schools are constructed and the educational materials to preserve the history and culture of coffee are provided in the coffee bean production areas of Ethiopia.

Sustainability in the Value Chain

Targets and Action Plan

Materiality	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		Supply Chain	Responsible Fisheries Procurement	Fresh food field	We will develop a procurement structure compliant with third-party body certification and supplier-specific codes of conduct.	Promote procurement in accordance with the supplier's own code of conduct in the country of origin of the tuna.	Develop a tuna procurement policy and promote procurement of products and certified products that comply with the policy.	• One vessel was added to existing MSC fisheries certification in February 2025. • In FYE 2025, we handled 12,500 tons of MSC certified tuna in total. (Around 6% volume in total) (Reference) We have acquired the MSC fisheries certification for six fishing vessels as of July 2022, and MSC fisheries certification for an additional 19 fishing vessels in June 2023.
General Products & Realty Company								
• Address Climate Change (Contribute to a Decarbonized Society) • Ensure Stable Procurement and Supply		Forest	Using sustainable forest resources	• Pulp • Woodchips • Wood products & materials	We deal in sustainable forest resources to reduce the impact on the environment and prevent the increase of greenhouse gases.	Handle certified lumber or lumber for which a high level of control can be verified.	Ensure a 100% handling ratio of certified or high-level management confirmed materials.	In FYE 2025, 100% of our Pulp, Woodchips and Wood Products & Materials transactions were handled as certified material or were intensively managed.
• Respect and Consider Human Rights • Ensure Stable Procurement and Supply		• Forest • Supply Chain	Realization of sustainable supply of natural rubber	Natural Rubber	• We will endeavor to establish measures to identify and avoid procuring rubber from any suppliers who dispossess indigenous people and develop High Conservation Value (HCV) areas, High Carbon Stock (HCS) areas and peatland. • We support or offer a training to improve yields and quality for natural rubber producers, especially smallholders. We also offer a risk-assessment education that includes modern slavery issue.	• We will establish a traceability system to make uncertain raw material procurement supply chain transparent. • We will achieve our commitment through the sustainability activity of our unique initiative "PROJECT TREE (https://project-tree-natural-rubber.com/)".	• We aim to procure raw materials with traceability and sustainability ensured in our natural rubber processing business. (Aiming to achieve 100% traceability for the natural rubber raw materials which we procure by 2025 through an original block chain-based traceability system.) • We will increase the number of smallholders implementing sustainability training and education, and contribute to achieving sustainability in the natural rubber industry.	• Traceability of the natural rubber raw materials' procurement reported by suppliers reached 100%. • Traceability of the natural rubber raw materials' procurement using our system reached 24% of the monthly purchasing volume up to the smallholders. • 11,991 of smallholders implemented sustainability training and education. *Based on the performance from January to December 2024.

Sustainability in the Value Chain

Structures and Systems (Supply Chain Management)

Against a backdrop of an expansion in our business areas, ITOCHU's supply chain has become wider and more complex. There is now a further need for risk management concerning human rights, labor and the environment in the procurement of raw materials, producing areas, intermediate distribution and regions of consumption in addition to in the processes directly managed by us. We pay particular attention to the on-site management of suppliers who account for a relatively high share of our purchases. We view our consideration and sense of responsibility for these areas as matters of great importance to be addressed with high priority.

ITOCHU has established the Sustainability Action Guidelines for Supply Chains, and by conducting annual sustainability surveys and reviews as described below, we strive to confirm consistency with the guidelines and prevent the occurrence of problems. If we discover a problem, we aim for improvement through dialogue with the concerned supplier.

Figure of Supply Chain Management Promotion



Sustainability Surveys

We have been conducting sustainability surveys since FYE 2009 to realize sustainable procurement and understand the actual conditions of suppliers. Each division company and applicable group company selects important suppliers based on certain guidelines (e.g., high risk countries, products handled and monetary value handled). The sales representatives of those division companies and representatives from overseas subsidiaries and operating companies then visit those suppliers to conduct interviews, in addition to a questionnaire format (sustainability checklist) with the seven core subjects of ISO26000 as essential survey items.

We conduct supply chain sustainability survey information seminar for employees who procure various products in a variety of countries ahead of the sustainability survey. We also provide training (buyer training) using the handbook to understand the Sustainability Action Guidelines for Supply Chains and ESG perspective that must be kept in mind in communication with suppliers.

Sustainability Checklist

The Sustainability Checklist is used to conduct supplier surveys on their management of relevant sustainability risks. The Checklist is based on the seven ISO26000 core topics (organizational governance, human rights, labor practices, environment, fair business practices, consumer issues, community involvement and development) and is supplemented by department and product specific issues that we identified as relevant to our business and by extension our suppliers (see table below for our list of supplementary topics). Furthermore, based on opinions provided by external subject matter experts, we have constructed the survey questionnaire to consist of 19 core items centered around human rights and labor and environmental topics particularly associated to high sustainability risks – these items are our priority in supplier engagements.



Supply Chain Communication Handbook

Outline of Sustainability Survey

Applicable Survey Criteria	● High risk countries ● Over a certain amount of money ● Handling of certain product groups
Main Questions Common to All Division Companies	**1.** Organizational governance: Establishment of a responsibility-taking structure and internal report system **2.** Fair Operating Practices: Prevention of corruption, information management, prevention of intellectual property right infringements and a sustainable procurement policy **3.** Human rights: Risk assessments of human rights violations in business, abolition of child labor, forced labor, harassment and discrimination, and payment of appropriate wages **4.** Labor practices: Working hour management, health and safety management, and worker health **5.** Environment: Waste and drainage treatment, handling of hazardous substances, and climate change and biodiversity initiatives **6.** Consumer and Local Communities: Quality control and traceability, Dialogue with consumers and neighboring residents **7.** Certification: Environmental, quality, occupational management system

Department and Product Specific Supplementary Sustainability Items

Procured Resource Type	Additional Survey Items
Paper, Wood-chips, Timber	● Implementation of forest conservation measures ● Third-party certification
Agricultural Crops	● Management of traceability and management of chemical fertilizers and pesticides
Meat Products	● Implementation of food safety measures ● Management of traceability
Natural Marine Products	● Management of traceability and management of fisheries
Apparel	● Management chemical substance
Palm Oil	● Management of traceability ● Development of Grievance mechanisms
Coffee Beans	● Management of traceability ● Development of Grievance mechanisms

Sustainability in the Value Chain

We have also prepared a handbook on communication with suppliers. We are using this to inform our employees of how to communicate with suppliers. At the same time, we have set up a check system that enables employees to understand concretely the management situation in terms of the environment, human rights, labor practices and corruption prevention in important suppliers to give advice on making improvements. We will continue to conduct surveys and communicate with suppliers in the future to improve the awareness of our employees and to seek understanding and implementation from our suppliers.

Example Excerpt from the Handbook

Prohibition on forced labor → Companies must not force employees to work.

Forced labor means all labor forced on a person against his or her will. Examples include restrictions on an employee's freedom to leave his or her job until he or she repays a debt to the company or restricting an employee's freedom to leave his or her worksite under contract. Forced labor may be identified by asking employees what their work shifts are like, whether they have break times and whether they are able to eat meals. It may also be ascertained by observing their facial expressions. In a worst-case scenario, people are deprived of the freedom to live their lives; they have to live in a dormitory on the premises of the company's factory and are not allowed to go outside those premises. It is also effective to check whether there are employees who have come to work from areas far away or other countries in a company. Employers must be prohibited from taking the originals of passports, IDs and work permits because this can lead to forced labor.

Reference
It is necessary to check for forced labor in factories in Japan as well as in emerging nations. In recent years, Japan's Technical Intern Training Program (TITP) has been criticized by some from overseas. Accordingly, please also check whether suppliers in Japan employ anyone from overseas and whether there are problems in terms of working hours and wages.

FYE 2025 Sustainability Surveys

We conducted surveys on a total of 275 companies in FYE 2025. We did not discover any serious problems requiring an immediate response from those results. For 100% of business partners where concerns were identified during the surveys, we conducted follow-up investigations and confirmed that prompt corrective actions and countermeasures were implemented by these partners. Going forward, we will continue to seek the understanding of our business partners regarding our approach and maintain ongoing communication with them.

The companies surveyed over the past three years cover 61% of our business partners that meet our survey criteria.

■ **Number of Suppliers Surveyed**

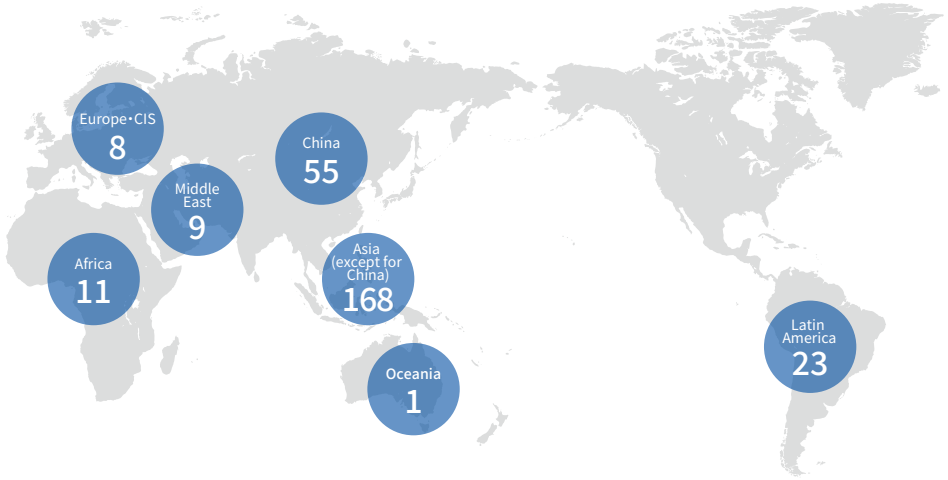
	All	Textile Company	Machinery Company	Metals & Minerals Company	Energy & Chemicals Company	Food Company	General Products & Realty Company	ICT & Financial Business Company
FYE 2025	275	75	9	14	31	106	38	2
FYE 2024	305	74	8	20	31	104	65	3
FYE 2023	320	105	9	20	31	104	48	3
FYE 2022	288	65	9	20	31	107	53	3
FYE 2021	310	57	9	21	29	104	87	3

The Sustainability Management Division also visits and surveys important suppliers together with external experts as necessary.

■ **Results of Survey for Department and Product Specific Supplementary Sustainability Items (Number of Suppliers Surveyed)**

Procured Resource Type	FYE 2023	FYE 2024	FYE 2025
Paper, Wood-chips, Timber, Timber Products	38	52	32
Agricultural Crops	36	31	31
Meat Products	14	13	13
Natural Marine Products	28	29	28
Apparel	105	60	75
Palm Oil	7	8	8
Coffee Beans	19	23	26

■ **Regional Breakdown of Number of Suppliers Surveyed**



Sustainability in the Value Chain

Human Rights Audits in the Poultry Industry in Thailand

Inspection of the CPF Saraburi Factory

We conducted a human rights audit targeting foreign workers in the Saraburi Factory (a chicken meat processed product factory) of Charoen Pokphand Foods Public Company Limited (CPF) — one of the main suppliers of the Food Company — accompanied by external auditors.

Recent years have seen an increase in cases where Japanese companies with Thai firms in their supply chain have been warned by NGO groups about human rights violations of foreign workers in the livestock and fishing industries in Thailand. We checked the factory for human rights risks in our supply chain through this audit.

This factory (slaughterhouse and food processing site) employs 1,300 Cambodians — equivalent to approximately 30% of its workers. That makes them an important part of the factory's labor force. We checked a number of items in this audit. These included the extent of signage in Cambodian in facilities in the factory, a check of the evacuation routes, the attendance management situation, and the personal storage situation of passports and work permits. In addition, we also randomly chose some Cambodian employees actually working there and interviewed them about their actual working conditions.

This audit did not find any violations of the human rights of foreign workers, and reaffirmed there is sufficient consideration for human rights and the proactive approach CPF takes toward sustainability.

CPF has developed a safe working environment for its foreign workers.



CPF Saraburi Factory


Those from CPF Who Cooperated with the Audit


Interview with a Cambodian Worker on His Actual Working Conditions



All Signs in Cambodian on Fire Prevention Facilities


Advice Not to Over-stack Auxiliary Feedstock

Regular Visits and Surveys of Food Processing Factories

The Food Company has been regularly visiting and surveying the food processing factories of its overseas suppliers since FYE 2012 in regards to imported foods under the initiative of the Food Safety and Compliance Management Office. In FYE 2025, we surveyed 369 overseas suppliers and inspected their food safety management system. We established a China Food Safety Management Team in Beijing in January 2015. With this, we have set up a structure to be able to audit our Chinese suppliers. We conducted regular audits and follow-up audits on 32 companies in FYE 2025. Please refer to Responsibilities to Customers (P164) to learn about our initiatives in detail.

Third-party Sustainability Audits of Ready-made Meal Manufacturers

Many foreign employees provide an important part of the workforce at factories to which FamilyMart, a group company, outsources manufacturing for ready-made meals.

Accordingly, in order to ensure a better work environment for a diverse workforce, FamilyMart conducts a self-assessment questionnaire (SAQ) for business partners involved in the distribution of FamilyMart products, consisting of approximately 200 items to evaluate whether employee safety, health management, and other aspects are being properly addressed. Additionally, in FYE 2025, FamilyMart conducted third-party audits of 18 factories, including raw material manufacturers. FamilyMart inspected compliance with human rights, labor, safety and health, environmental standards, and confirmed that there were no significant issues in each factory. FamilyMart will continue to take action to build a sustainable supply chain in collaboration with all its business partners.

- Supplier CSR Audit Report: CP Foods, Saraburi (https://www.itochu.co.jp/en/csr/pdf/supplier_csr_audit_report_e.pdf)

Sustainability in the Value Chain

Response to Suppliers in Violation of this Policy

When we have confirmed a case in which there has been a violation of the intent of any of our environmental or social policies, we request corrective action from the applicable supplier. Together with this, we conduct an on-site investigation to give guidance and improvement support as necessary.

In the FYE 2025 survey, the Sustainability Management Division carefully examined the answers from suppliers to key questions including the prohibition of child labor, the prohibition of forced labor and the payment of living wages, and identified issues that are necessary to share and to reconfirm with suppliers. As a result of this survey, the Sustainability Management Division requested the business departments in charge of the supplier to reconfirm the 42 extracted companies. The department in charge explained and shared the reconfirmation of these issues with the suppliers, and conducted a detailed survey of the suppliers' responses to them.

As a result, it was determined that the reconfirmed issues were being addressed by each supplier, and no requests for corrective actions were made to suppliers in FYE 2025. Through this survey, suppliers actively report issues and engage with the business department involved. When a problem is identified, suppliers are requested to take corrective actions, thereby encouraging them to make efforts to correct the issue.

If it is judged that correction is difficult despite ongoing requests, we will reconsider our business with the relevant supplier, including regarding the continuation of the contract.

■ **FYE 2025 Sustainability Survey Result**

Key Questions		Request of Reconfirmation and Request of Corrective Action		
Questions	Checking Contents	Number of Reconfirmation	% (275 suppliers)	Number of Corrective Action
Clarifying Responsibilities for Sustainability	A Sustainability Manager is appointed and the system for promoting sustainability is clear.	12	4.4%	—
Fair Operating Practices	We have established a policy and monitor the status of compliance with the policy by a person in charge.	6	2.2%	—
Preventing Information Leakage	We have established rules and informed all of our employees of the rules.	1	0.4%	—
Prohibition of Child Labor	We have clearly defined a minimum age for employees in light of the standards of the International Labor Organization (ILO) and we check the self-reported age of each person before employing them.	3	1.1%	—
Prohibition of Forced Labor	We have a policy of not using forced labor and we do not take a passport or a master copy of ID before employing them.	4	1.5%	—
Prohibition of Harassment	We have specified in writing that we prohibit harassment, and we have informed all of our employees to that effect. We also check whether any harassment actually occurs.	6	2.2%	—
Right to Organize and Bargain Collectively	We recognize the right of employees to organize and bargain collectively and regularly offer them opportunities, at least once a year, to communicate with the management regarding improving their labor environment.	3	1.1%	—
Prohibition of Discrimination	No restrictions on recruitment by gender, race, religion, etc. in recruitment conditions or requests to agent companies.	2	0.7%	—
Payment of Living Wage	We pay employees wages that exceed the legal minimum wage for each country.	0	0.0%	—
Working Hours	We have a system for the appropriate management of working hours throughout the entire business establishment. The working hours do not exceed the legal standards of the country.	0	0.0%	—
Taking Holidays	All of our employees have at least one day off every week.	0	0.0%	—
Identifying Dangerous Areas and Tasks	We acknowledge all labor accidents that have occurred, and we have a system under which we take measures to reduce their occurrence.	0	0.0%	—
Operating Procedures	We have operating procedures of occupational health and safety, and we review their contents at least once a year.	0	0.0%	—
Response to Labor Accidents	We acknowledge all labor accidents that have occurred, and we have a system under which we take measures to reduce their occurrence.	7	2.5%	—
Hygienic Ancillary Facilities	All of our facilities are kept in a sanitary condition. No issues were identified in the inspections undertaken by the local authorities or the like in the last five years or more.	4	1.5%	—
Treatment of Waste	We have a manual and apply the manual by reminding our employees of it at least once a year.	29	10.5%	—
Treatment of Exhaust Air and Discharged Water	We control them by applying standards that are stricter than the requirements of the local regulations.	13	4.7%	—
Procuring Raw Materials in a Responsible Manner	We ensure the traceability of more than 90% of raw materials, as far back as to the land of origin, and have a system in which we do not purchase them until we confirm that they are not problematic environmentally or socially.	7	2.5%	—
Development with Consideration for Local Residents	Grievance mechanism from local residents about noise, bad odor and environmental pollution of air and water, etc.	7	2.5%	—
Total Number of Suppliers		42	15.3%	—

Sustainability in the Value Chain

Business Investment Management

The business activities of companies in which we invest must recognize and deal with their possible impact on the environment and society. To that end, we strive to understand ESG risks and work on preventative activities. We perform risk assessments on ESG in general through the utilization of a checklist and visits and surveys to formulate the necessary measures. These are continuously reviewed and improved in the framework of our environmental management system.

ESG Risk Assessment for New Business Investment Projects

It is compulsory in new business investment projects for the division making the application to use the ESG Checklist for Investments to evaluate the project in advance (perform due diligence). The division making the application looks at whether policies and structures have been established from a perspective of ESG. It also looks for the risk of a significant adverse effect on the environment, violation of laws and ordinances, and complaints from stakeholders. This checklist consists of check items that include elements of the seven core subjects* in ISO26000 — the CSR international guidelines.

The division making the application also then refers to review opinions based on risk analysis from relevant functional divisions (management divisions). If there are any concerns, it requests additional due diligence from external specialist organizations for matters requiring a professional point of view. 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

ESG Risk Assessment for the existing business (Group Company Fact-finding Investigations)

We have continued to conduct on-site visits and surveys in group companies since 2001 to prevent environmental pollution and risk assessment of labor practice. We have conducted investigations into a total of 301 offices in the world as of the end of March 2025.

These investigations inspect the factory and warehouse facilities, the situation of drainage to rivers, the environmental law and regulation compliance situation, labor practice, labor safety and human rights, and communication with the local community in addition to holding a question and answer session with management. We identify problems or demonstrate preventative measures. We then check to see whether the situation has been corrected.

ESG Risk Assessment Conducted as of the end of March 2025

301 Offices in the World

Visit and Survey Report: DOLE PHILIPPINES Fact-finding Investigation

We visited and surveyed DOLE PHILIPPINES, a company which produces banana, pineapple and other fresh fruits and manufactures canned fruit in the Philippines, in January 2020. We performed a detailed check concerning the environment and labor safety related risk management and legal compliance situation (e.g., soil pollution, waste, chemical substance management and safety measures) based on the findings of external experts well-versed in the local laws and regulations. We confirmed that these matters are being appropriately managed. In addition, we confirmed that the company is proactively working on activities that contribute to society and the environment (e.g., biomass boiler on its premises and donations to local schools).



On-site observations


On-site observations

Sustainability in the Value Chain

Procurement Policies by Product Type

Products of Relevance to Forest Conservation

- Sustainable Procurement Policy on Natural Forests and Forest Resources
  (https://www.itochu.co.jp/en/csr/pdf/sustainable_procurement_policy_on_natural_forests_and_forest_resources.pdf?250620)
- Natural Rubber Procurement Policy
  (https://www.itochu.co.jp/en/csr/pdf/natural_rubber_policy.pdf)
- Sustainable Palm Oil Procurement Policy
  (https://www.itochu.co.jp/en/csr/pdf/sustainable_palm_oil_procurement_policy.pdf)

Food

- Cocoa Bean Procurement Policy
  (https://www.itochu.co.jp/en/csr/pdf/cocoa_beans_procurement_policy.pdf)
- Coffee Bean Procurement Policy
  (https://www.itochu.co.jp/en/csr/pdf/coffee_beans_procurement_policy.pdf)
- Raw Material Tuna Procurement Policy
  (https://www.itochu.co.jp/en/csr/pdf/raw_material_tuna_procurement_policy.pdf)

Textile Raw Materials

- Commitment of Protecting Forests through Material Sourcing of MMCF
  (https://www.itochu.co.jp/en/csr/pdf/commitment_of_protecting_forests_2019.pdf)

Sustainability in the Value Chain: Products of Relevance to Forest Conservation

Products of Relevance to Forest Conservation

ITOCHU handles the following products, which require careful consideration of forest conservation initiatives. In addition to the Sustainability Action Guidelines for Supply Chains, the following Procurement Policy establishes our approach to protecting and preserving natural forests, and our commitment to the sustainable use of natural resources. The Policy is subject to an annual review at minimum, with revisions made as necessary.

- Timber, timber products, raw materials for papermaking and paper products
- Natural rubber
- Palm oil
- Solid biomass fuel

Policy and Management Approach to the Preservation of Natural Forests and the Sustainable Sourcing of Forest Resources

Sustainable Procurement Policy on Natural Forests and Forest Resources

https://www.itochu.co.jp/en/csr/pdf/sustainable_procurement_policy_on_natural_forests_and_forest_resources.pdf?230615

Management Approach

Every year, we report and receive approval on our targets and progress made to senior management. We also share suggestions from stakeholders including NGOs, and if any issue is identified, we review our measures and this Policy, as necessary.

Regarding palm oil, procurement based on this Policy is carried out by the Oil, Fats & Cacao Department of the Food Division within the Food Company – this department is therefore also responsible for the compliant procurement of palm oil.

Regarding timber, timber products, raw materials for papermaking and paper products, it is carried out by the Construction and Real Estate Division (Construction & Building Material Department) and the Forest Products, General Merchandise & Logistics Division (Forest Products & General Merchandise Department) within the General Products & Reality Company – these departments are therefore also responsible for the compliant procurement of these products.

Wood, Wood Products*, Papermaking Raw Material, and Paper Products

ITOCHU is engaged in the procurement, manufacturing, and distribution of materials for pulp and paper products, wood and wood products and woodchips. In order to ensure the protection of natural forests and sustainable use of forest resources, we aim for 100% procurement by FYE 2026 of certified material or material for which advanced management can be verified.

* Including board products such as plywood, MDF, particle board, etc.



Sustainable forest resources to be protected

Metsä Fibre Oy (Certification by FSC and PEFC)

ITOCHU has a stake in Metsä Fibre Oy, a world-class softwood pulp manufacturer based out of Finland. Metsä Fibre Oy boasts an annual pulp production capacity of around 3.9 million tons. They have tapped ITOCHU as the exclusive distributor for their softwood pulp destined for Asian markets. The company manufactures pulp from 100% traceable forest resources of which 95% have received two certifications, namely the Forest Stewardship Council (FSC) and the Program for the Endorsement of Forest Certification Schemes (PEFC).

In Finland, pulpwood growth exceeds consumption, which allows for a long-term, stable supply of pulpwood. Through initiatives carried out with excellent partners such as this, we will promote the use of sustainable forest resources and continue to promote further strengthening of our business.



Äänekoski Plant commissioned in 2017

Sustainability in the Value Chain: Products of Relevance to Forest Conservation

Certification of Traceability for Chinese Timber

Since 2013, ITOCHU KENZAI has been working to create a system for certifying the traceability of plywood manufactured in China. We asked the Japan Gas Appliances Inspection Association (JIA), a certification body, to evaluate the effectiveness of this system in 2020. It said we have ensured traceability appropriately in our main supply chain and are in compliance with the Law Concerning the Act on Promoting Green Procurement and the Clean Wood Act. This effort ensures traceability and that timber is managed throughout all processes within the supply chain, from the logging areas to the veneer and plywood factories, by obtaining logging permits and other evidence, auditing factories, observing the logging areas, and other means. With this, ITOCHU KENZAI was able to reliably ensure that no timber from illegal logging is used in around 40% of the plywood manufactured in China for which forest certification has not been obtained.

NGO Engagement (Responding to Identifications by an NGO about Illegal Logging and Human Rights Issues in Sarawak, Malaysia)

A non-governmental organization has pointed out problems with illegal logging and human rights in Sarawak, Malaysia. On a regular basis, we work to ascertain the situation through interview surveys of our supplier, the local government, the timber association, human rights lawyers, the human rights committee, local residents, local non-governmental organizations, forest consultants, and others.

We have not found the problems pointed out by the non-governmental organization through these surveys, but to eliminate concern, we have repeatedly requested that the supplier engage in specific initiatives. As a result, in recent years, the supplier has actively worked to obtain forest certification, and the number of certified forest areas has increased. Changes have also occurred in the local government in Sarawak, including reinforcement of regulations to eliminate illegal logging and announcement of measures to promote forest certification.



Interview with Indigenous Community in Anap Muput Forest Management

Performance Regarding Forest Certification and Legal Compliance

Performance of Timber and Timber Products*

ITOCHU evaluates its performance by classifying its timber and timber products into the following four categories based on forest certification and legal compliance. Category (A) signifies the highest level of sustainable procurement compliance, requiring FSC certification and/or PEFC certification – more specifically, it is defined as "(A) Timber handled by a certified forest supplier or timber approved by a certification body".

* Including board products such as plywood, MDF, particle board, etc.

Classification Based on Legality		Item	Result			Target
			FYE 2023	FYE 2024	FYE 2025	FYE 2026
Certified Materials or Advanced Management can be Confirmed	Forest Certification System	(A) Timber handled by a certified forest supplier or timber approved as a management material by a certification body (acquired FSC or PEFC certification)	25%	18%	21%	100%
		(B) Timber harvested in countries or regions assessed as "Low Risk" based on the forest certification system	62%	75%	69%	
	Certification of Legality in the Clean Wood Act	(C) Timber whose legality has been confirmed by documents proving that it was cut in compliance with the laws of the place of origin*1	13%	7%	10%	
N/A		(D) Materials whose legality has been confirmed by "additional measures"*2	0%	0%	0%	0%

*1 Specifically, materials confirmed by an export license, certificate of origin, etc.
*2 Specifically, timber that was confirmed to be in compliance with laws by asking suppliers to provide a distribution channel

Sustainable Procurement Performance of Raw Materials for Papermaking

All raw materials for papermaking such as chips and pulp handled by ITOCHU Group have acquired FSC or PEFC certification as "materials handled by certified forest suppliers or materials approved as management materials by a certification body".

Classification Based on Legality		Item		Result			Target
				FYE 2023	FYE 2024	FYE 2025	FYE 2026
Certified Materials or Advanced Management can be Confirmed	Forest Certification System	Timber handled by a certified forest supplier or timber approved as a management material by a certification body (acquired FSC or PEFC certification)	Chips	97%	100%	100%	100%
			Pulp	100%	100%	100%	100%

* License No. FSC® C009841

Sustainability in the Value Chain: Products of Relevance to Forest Conservation

Natural Rubber

ITOCHU is engaged in the business of processing natural rubber. Natural rubber is a natural resource indispensable in daily life. About 70% of the world's consumption of natural rubber is used in tires. On the other hand, about 85% of the world's production depends on small farmers found mainly in Thailand, Indonesia and elsewhere in Southeast Asia. It is expected that the demand for natural rubber will grow in the future due to global motorization. Against that background, it is essential to conduct business activities with even greater consideration due to issues such as deforestation and the infringement on the rights and poverty of small farmers. In response, ITOCHU has joined as a founding member of the Global Platform for Sustainable Natural Rubber (GPSNR), which was established in October 2018. We agree on the 12 principles stipulated by GPSNR and are cooperating in the development and operation of the Platform's standards.

Moreover, we are utilizing our value chain to promote the PROJECT TREE initiative aimed at improving the traceability and sustainability of natural rubber. We will contribute to sustainability over the entire natural rubber industry through this project.

- Natural Rubber Procurement Policy (https://www.itochu.co.jp/en/csr/pdf/natural_rubber_policy.pdf)

Participation in the GPSNR

In October 2018, ITOCHU joined the new Global Platform for Sustainable Natural Rubber as the only Japanese trading company founding member. This organization was established by car manufacturers, tire manufacturers and natural rubber processing companies, etc. involved in the natural rubber industry. Its members work together throughout their supply chain to establish traceability and achieve higher levels of sustainability.

PROJECT TREE Initiative

We are rolling out the PROJECT TREE initiative aimed at improving the traceability and sustainability of natural rubber. We are utilizing the value chain of the PT. Aneka Bumi Pratama (ABP) natural rubber processing company and the EUROPEAN TYRE ENTERPRISE LIMITED tire wholesale and retail company in which we invest to achieve this.

ITOCHU Techno-Solutions Corporation developed the traceability system utilizing the blockchain in this project. It is the first such attempt for traceability in the natural rubber industry.

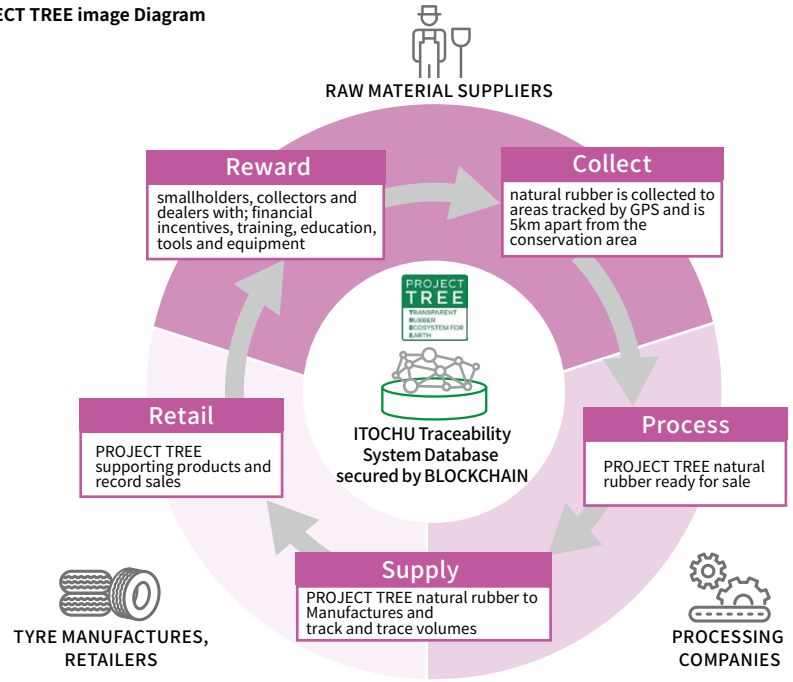
ABP has been recording the origin information of the raw material by interviewing the suppliers. From now on, the transaction details, date and time, and location information for the natural rubber raw materials procured by ABP will be recorded on the blockchain by a smartphone app in this system. That information will then be displayed on a map. After that, ABP will process the natural rubber in its factories and sell it to tire manufacturers as natural rubber with place of origin information. We will implement a mechanism to pay compensation to raw material suppliers from a part of the sales of the Project supporting tires produced by those tire manufacturers. We will then distribute agricultural tools and fertilizers to small farmers who do not have smartphones or bank accounts. At the same time, we will conduct risk assessments including on the issue of modern slavery and provide training and support to improve productivity, including through the sharing of best practices, and address social issues. In addition, we will gradually implement improvement plans based on the results of risk assessments on the supply chain while receiving consulting and auditing from the Proforest and SNV international NGOs. This project is a concept we will expand to all stakeholders involved in natural rubber such as natural rubber processing companies in the same industry, tire wholesalers, retailers and automobile manufacturers, and consumers. We will aim to gradually roll out the approved tire products around the world starting with the highly-environmental conscious European region. Moreover, we also expect it will contribute to GPSNR policies and target achievement as well as to the requirement of the EU Deforestation Regulation (EUDR).

ITOCHU aims for sustainable growth based on our corporate philosophy of "*Sampo-yoshi*" (good for the seller, good for the buyer and good for society). We are also contributing to the Sustainable Development Goals (SDGs) in 2030 adopted by the United Nations.

- Release: ITOCHU Announces a Blockchain PoC for Traceability (https://www.itochu.co.jp/en/news/press/2019/190201.html)
- Release: ITOCHU Announces the Commencement of Commercialization of PROJECT TREE, the First Blockchain-based Natural Rubber Traceability and Sustainability Project in the World (https://www.itochu.co.jp/en/news/press/2021/211201.html)
- PROJECT TREE website (https://project-tree-natural-rubber.com/)

Sustainability in the Value Chain: Products of Relevance to Forest Conservation

■ **PROJECT TREE image Diagram**



■ **Performance Data on Natural Rubber**

Category		2022 (Jan-Dec)	2023 (Jan-Dec)	2024 (Jan-Dec)	Target (2025)
Natural Rubber Traceability	Up to Collecting Point	4.5%	7.0%	11.5%	100%
	Up to Smallholders	—	0.4%	7.6%	33%
Capacity building, Sustainability training initiatives to small farmers		3,934 people (Accumulatively 4,117 people)	3,804 people (Accumulatively 7,921 people)	11,991 people (Accumulatively 19,912 people)	—

Palm Oil

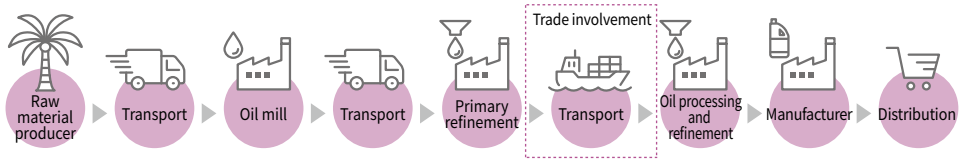
Palm oil has been associated with environmental destruction and human rights violations in relation to the development and production of plantations. ITOCHU is extensively engaged in the trade and distribution of palm oil but is not involved in the palm plantation business. However, based on our role in distribution, we recognize the importance of paying particular attention to this issue. For example, we are a member of the Roundtable Sustainable on Palm Oil (RSPO) and are working to fulfill our corporate social responsibility by taking responsibility and standing as a bridge between producers and consumers. We are also cooperating in the spread of certified oil other than RSPO, such as MSPO*1 and ISPO*2, in cooperation with industry groups.

In addition to having formulated the Sustainable Palm Oil Procurement Policy, we aim to preserve natural forests and ensure sustainable consumption of forest resources by promoting transparency in the supply chain and strengthening the sustainable palm oil procurement system.

*1 Malaysian Sustainable Palm Oil
*2 Indonesian Sustainable Palm Oil

- Sustainable Palm Oil Procurement Policy (https://www.itochu.co.jp/en/csr/pdf/sustainable_palm_oil_procurement_policy.pdf)

■ **Palm Oil Trading Supply Chain**



Establishing Traceability

ITOCHU inspected its supply chain as a way to fulfil our corporate social responsibility. In doing so, we identified issues and solved them with the aim to achieve sustainable procurement and supply of palm oil. That allowed us to achieve one of our goals of achieving 100% traceability at the mill level by 2021. Going forward, we will aim to achieve our other goal of switching all the palm oil we procure to sustainable palm oil*1 by 2030. In particular, we aim to base our procurement on the NDPE principle (No Deforestation, No Peat, No Exploitation)*2.

*1 Sustainable palm oil: palm oil produced in a responsible manner which complies with NDPE policy and RSPO, MSPO, ISPO or any other equivalent standards
*2 No Deforestation, No Peat, No Exploitation (NDPE): zero deforestation, zero peatland development, zero exploitation

Sustainability in the Value Chain: Products of Relevance to Forest Conservation

Sustainable Palm Oil Procurement Initiatives

ITOCHU aims for sustainable palm oil procurement and, based on the ITOCHU Group Human Rights Policy established in 2019, conducted human rights due diligence in FYE 2021 on major products of our Food Company, including palm oil. Since then, we have striven to understand the facts on the ground through our annual supply chain sustainability surveys. In FYE 2025, with the goal of further sustainable procurement of palm oil, a commodity requiring particular attention, we conducted human rights and environmental due diligence specific to palm oil with the cooperation of external experts.

This investigation covered 89 companies that are primary, secondary, and tertiary suppliers located in Malaysia and Indonesia. We conducted a self-assessment questionnaire (SAQ) in three languages: English, Malay, and Indonesian. Based on the results, we selected three companies for engagement to confirm the specific state of human rights risks and conducted more detailed interviews remotely.

To identify the relevant human rights issues, we confirmed certifications related to palm oil (RSPO, ISPO, MSPO certifications) and relevant regulations in each country, in line with the Group's Sustainable Palm Oil Procurement Policy. The survey items included child labor, forced labor, occupational health and safety, freedom of association and collective bargaining rights, discrimination, and environmental initiatives.

The investigation results did not confirm any items of concern for immediate risk or serious negative impacts on human rights. As an example of good practices, some business sites were found to be implementing appropriate preventive measures such as providing multilingual training on occupational health and safety. Many business sites were also confirmed to have established policies to prevent deforestation and efforts to reduce greenhouse gas (GHG) emissions. By sharing these good practices with suppliers, we aim to strengthen efforts throughout the supply chain. Each business site will continue to verify the response status and, where appropriate, engage to increase secondary and tertiary suppliers traceable back to plantations.

The Group will continue to cooperate with suppliers, identify human rights issues in advance, and address them seriously. Through continuous dialogue, we will encourage each supplier to address appropriate human rights issues.

Furthermore, by continuing regular efforts and improvements based on the human rights due diligence process, we aim to prevent, mitigate, and remedy real or potential negative impacts on human rights. Together with related companies, including suppliers, we will implement and strengthen initiatives to respect human rights, aiming to build a resilient value chain and achieve sustainable growth.

Survey Items	**Child labor, forced labor, occupational health and safety, freedom of association and collective bargaining rights, discrimination,** inhumane treatment, working hours and wages, grievance mechanisms, community-related initiatives, environmental initiatives (GHG emission reduction, deforestation prevention), anti-corruption, other items from external certifications/audits, etc.

* Bold: Core labor standards of the ILO Declaration on Fundamental Principles and Rights at Work

Membership to the Roundtable on Sustainable Palm Oil (RSPO)

We joined the Roundtable on Sustainable Palm Oil (RSPO) in 2006, and respect the principles and standards set by the RSPO (such as the Principles and Criteria for the Production of Palm Oil) to promote transparency in the supply chain. We are working to strengthen the sustainable palm oil procurement system by expanding transactions with suppliers of raw material that have improved their traceability.

We confirm priority items and utilize them in procurement through sustainable procurement surveys, including on-site examinations, and direct engagement with suppliers.

In the course of our operations, we regularly review our procurement policy in cooperation with stakeholders such as business partners and experts. Information regarding this matter has been disclosed through the ESG Report, the Sustainability Action Plan, and the Annual Communication of Progress (ACOP).

- RSPO Supply Chain Certificate (https://www.itochu.co.jp/en/csr/pdf/rspo_scc_certification_2023.pdf)
- Sustainability Action Plans (P37)
- The Annual Communication of Progress (ACOP) (https://rspo.org/members/2-0034-06-000-00/)

Please also refer to the disclosed information below regarding ITOCHU's initiatives.

- Initiatives for sustainable procurement of palm oil (https://www.itochu.co.jp/ja/csr/pdf/fact_sheet_2025.pdf)
- Refinery list (https://www.itochu.co.jp/ja/csr/pdf/refinery_list_2025.pdf)
- Mill list (https://www.itochu.co.jp/ja/csr/pdf/mill_list_2025.pdf)

Performance Data on Sustainable Palm Oil Procurement

Our goal is to transition all procured palm oil to sustainable palm oil by 2030. The following table shows the current progress of our initiatives and our targets.

Category	Result			Target
	2022 (Jan-Dec)	2023 (Jan-Dec)	2024 (Jan-Dec)	2030
Volume of Handled Palm Oil	352,000 tons	386,000 tons	376,000 tons	—
<Main Supplier>	Malaysia	Malaysia	Malaysia	Malaysia
	Indonesia	Indonesia	Indonesia	Indonesia
RSPO Members	10/10 (100%)	10/10 (100%)	10/10 (100%)	100%
Suppliers Under NDPE Policy	10/10 (100%)	10/10 (100%)	10/10 (100%)	100%
<Certified Sustainable Palm Oil>				
RSPO Certified Sustainable Palm Oil	19.24%	28.60%	35.90%	—
<Traceability>				
Traceable to the Mills	100%	100%	100%	100%

Sustainability in the Value Chain: Products of Relevance to Forest Conservation/Food

Solid Biomass Fuel

ITOCHU procures Solid Biomass Fuels (woody biomass fuel and biomass solid fuel from agricultural residue) that have been legally verified by third-party certification systems such as Forest Management and Chain of Custody certification (PEFC, FSC,etc.), based on the Feed-in Tariff (FIT) program for renewable energy launched in July 2012 by the Ministry of Economy, Trade and Industry (METI).

ITOCHU conducts its own audit as needed by retaining an additional third party certification body (such as the Japan Gas Appliances Inspection Association (JIA), etc.) to ensure appropriate certification, thereby procuring fuel which has been verified as legal and sustainable.

In the event that a violation of our procurement policy is identified, ITOCHU immediately suspends any transaction with the supplier and requires it to take corrective actions, while providing guidance and support to the supplier.

Performance Data on Solid Biomass Fuel

Solid Biomass Fuels handled by ITOCHU have their legality, sustainability and traceability ensured by third-party certification systems such as Forest Management and Chain of Custody certification, etc.

■ Woody Biomass

Classification of Legality Basis		Item	FYE 2023	FYE 2024	FYE 2025
Certified wood or highly controlled wood Forest	Forest certification, etc	Lumber whose legality, sustainability and traceability are ensured in accordance with third-party certification systems (such as PEFC, FSC and CoC certifications) or verified through voluntary initiatives utilizing third-party organizations (e.g., JIA)	100%	100%	100%

* License No. FSC® SCS-COC-000320, PEFC® CEF0610, SBP® SBP-06-51, GGL® GGL- 887567, JIA® JIA24-003 (ITOCHU's certification number)

■ Biomass Solid Fuel from Agricultural Residues

Classification of Legality Basis		Item	FYE 2023	FYE 2024	FYE 2025
Certified Product	Third-party certification, etc	Biomass solid fuel from agricultural residues (e.g., PKS) have ensured legality and sustainability through third-party certification systems such as GGL and others.	—	—	100%

* License No. GGL® GGL- 887567 (ITOCHU's certification number)
* Based on the FIT/FIP program, obtaining certification related to sustainability (legality) became mandatory as of April 1, 2024.

- Code of Conduct to the Japan Gas Appliance Inspection Association (JIA) (https://www.itochu.co.jp/en/csr/pdf/jia_code_of_conduct.pdf)
- Management Commitment to GGL Certification Requirements (https://www.itochu.co.jp/en/csr/pdf/ggl_certification_requirements.pdf)

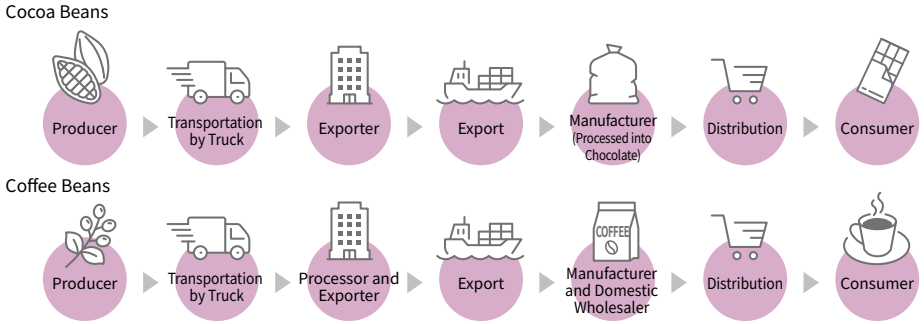
Food

Cocoa Beans and Coffee Beans

ITOCHU handles cocoa beans and coffee beans as the raw ingredients of chocolate and coffee products. We operate processing/exporting business for coffee beans with UNEX (Guatemala), S.A. serving as our subsidiary. In the suitable areas to growing cocoa beans and coffee beans, the impact on human rights and the natural environment by plantation development and production has been identified. Accordingly, we have established procurement policies to fulfill our corporate social responsibility. Under these policies, we are promoting sustainable procurement in consideration of the environment and human rights.

- Cocoa Bean Procurement Policy (https://www.itochu.co.jp/en/csr/pdf/cocoa_beans_procurement_policy.pdf)
- Coffee Bean Procurement Policy (https://www.itochu.co.jp/en/csr/pdf/coffee_beans_procurement_policy.pdf)

■ Cocoa Bean and Coffee Bean Trading Supply Chain



■ Overview of Cocoa Bean and Coffee Bean Dealings

Contents	Cocoa Beans	Coffee Beans
Overview of Dealings	Trading	Trading and processing/exporting
Scope	ITOCHU Corporation and subsidiaries	ITOCHU Corporation and subsidiaries (Including UNEX (Guatemala), S.A)
Main Suppliers	Ghana and Latin America	Brazil, Vietnam and Guatemala, etc.
Main Sales Destinations	Japan and the U.S.	Japan, Europe, North America and Asia
Examples of Activities	Sustainable cocoa bean sourcing program	Sustainable coffee bean sourcing Activities with UNEX (Guatemala), S.A Project with Farmer Connect SA

Sustainability in the Value Chain: Food

Sustainable Cocoa Bean Sourcing Program

ITOCHU started handling sustainable cocoa beans in 2007. We will continue to further enhance the traceability of cocoa beans and work on strengthening our handling of cocoa beans to help with consideration for human rights and the environment, the eradication of poverty among farmers, and an improvement in living standards.

■ **Performance Data on Sustainable Cocoa Bean Procurement**

	FYE 2024	FYE 2025	FYE 2031 Target
Sustainable Cocoa Bean	64%	65%	100%

Sustainable Coffee Bean Sourcing Program

ITOCHU has handled sustainable coffee beans over more than 15 years. In particular, we are working to strengthen our handling of sustainable certified coffee beans authenticated by organizations (e.g., UTZ, Rainforest Alliance and 4C) and defined by customers.

Activities of UNEX (Guatemala), S.A in Coffee Producing Area

ITOCHU is working on the following activities through UNEX (Guatemala), S.A – a subsidiary which collects coffee cargo in Guatemala.

Item	Content
Technical Support for Small Farmers	Providing agricultural technology (e.g., methods of utilizing shaded trees and soil management) to improve the productivity of small farmers
Support for Mobile Hospitals	Providing medical care to coffee producers and their families living in mountainous areas where there are no hospital nearby
Support for Childcare Facility Management	Providing education, food and drink to the children of workers engaged in harvesting to prevent child labor
Support for Female Producers	Conducting initiatives with a female-centered coffee producer group (COMAL) and providing agricultural guidance from the ethos of supporting women and gender equality

Project with Farmer Connect SA

ITOCHU started project with Farmer Connect SA, a company aiming to build an IT platform to be able to browse coffee traceability information, in September 2019. This allows us to contribute to the growth of the coffee industry together with many companies responsible for coffee production, distribution and sales, and consumers.

Item	Content
Strengthening Supply Chain Traceability	We record and store traceability information – from coffee bean cultivation, producing area, collecting point, blending and roasting to customers – with blockchain technology.

■ **Performance Data on Sustainable Coffee Bean Procurement**

	FYE 2023	FYE 2024	FYE 2025	FYE 2031 Target
Sustainable Coffee Bean	29%	37%	32%	50%

Dairy Products

ITOCHU stably procures and imports milk ingredients, cheeses and other dairy products from overseas dairy product suppliers with a production and quality control structure. The dairy product production and supply structure in Japan has been built centered on Hokkaido as part of agricultural policy. However, in response to the increase in consumption of dairy products in Japan in recent years, import opportunities have been steadily increasing under trade liberalization agreements (e.g., the TPP and EPA).

Producers' organizations and companies in major dairy product producing countries (New Zealand, Australia, Europe, North America and South America) have gradually started initiatives to build a production structure enabling sustainable growth. We will strive to understand the initiatives of major production areas and suppliers through regular and surveys by sales representatives and work to further build relationships. This is so that we can continue to deliver safe and secure dairy products in the future.

Ensuring the Safety of Raw Milk

Ensuring the safety of raw milk in dairy product supply chains is paramount. We have a structure in which raw milk milked and collected by dairy farmers and then brought to dairy product factories is subject to antibiotic contamination tests at the acceptance stage. This means we only use raw milk confirmed to be safe.

In addition, manufactured cheese, butter and skim milk powder (excluding powdered milk) are individually packed in manufacturing factories mainly in 10 kg or 20 kg cardboard boxes for cheese and butter, and 25 kg paper bags for skim milk powder. The manufacturing date is then printed on these. Accordingly, it is possible to trace products up to the date of their production date in the manufacturing factory.

The standards for hormones and antibiotics used to breed beef and dairy cattle are established by the relevant organizations in each country. Each dairy product manufacturer then sets its own self-management regulations based on those standards.

Sustainability in the Value Chain: Food

Initiatives for the Sustainability of Ranches

An example of these initiatives is that basically dairy cows are raised by grazing in New Zealand – an important supply base for ITOCHU. The cows are bred while changing their grazing land regularly so that ranches do not fall into ruin. We are promoting such initiatives to help improve productivity.

Moreover, we have started the product development and distribution of grass-fed butter produced from beef and dairy cows raised eating only grass in New Zealand. Regular butter is made with the milk of cows raised mainly on grains. In contrast to this, grass-fed butter is made with the milk of cows raised eating only grass or grass of at least a certain ratio. This has the advantage of reducing the financial burden on dairy farmers.

Meat

Surveys of Beef Supplier Food Safety Management Systems

As a general rule, ITOCHU verifies whether beef suppliers for import transactions have HACCP certification or GFSI (Global Food Safety Initiative)-recognized certification. GFSI is a non-profit organization that involves globally expanding food companies and promotes food safety.

Initiative Participation

Companies in wide-ranging lines of businesses – from producers to retailers – are participating in an initiative called the Global Round Table for Sustainable Beef (GRSB) with the aim of sustainable beef production. ITOCHU has built business relationships with multiple companies participating in the GRSB. We are exchanging information with them on the latest trends.

Performance Data on Traceability

ITOCHU considers the safety and security of food as our number one priority, based on the key assumption that we are able to thoroughly trace the products we deliver to our customers back to their producers. We have a 100% “traceback” system for all meat (beef, pork, chicken) suppliers (mainly overseas) allowing us to trace back products up to their production stage.

Traceback System
100 % of Suppliers

Content	Performance		
	2022	2023	2024
Volume of Handled Meat	About 130,000 tons	About 130,000 tons	About 140,000 tons

Ensuring Traceability at HyLife Group Holdings

HyLife’s integrated production includes pig farms, mixed feed factories and pork processing, enabling supply chain management and coordination in-house. HyLife has utilized this production structure to achieve a stable supply of safe and secure, high-quality and traceable products. In addition, it is possible to communicate the individual needs of customers to pig farms through such integrated production. Hylife has established a specialty program customized for Japan that has been well-received in the market. Currently, it is one of the largest exporters of chilled pork to Japan in North America.



Pork Processing Process

Promotion of Animal Welfare at Group Companies and Suppliers

Regarding its meat products, the ITOCHU Group believes that it is important for its livestock to be kept in a comfortable environment and to reduce stress and disease. Based on the belief that these animal welfare initiatives will lead to improved productivity and safer livestock products, we are working with meat-related Group companies and suppliers to promote initiatives for the humane handling of livestock in accordance with local laws.

Initiatives by Meat Supplier

Respecting Animals is a HyLife Core Value and the obligation and responsibility of all employees.
HyLife provides optimal environmental conditions for the animals in our care providing climate controlled housing, nutritionally balanced diets and veterinary animal health oversight.
All employees receive comprehensive training in the proper care and handling of animals and farms are operated in accordance with the Canadian Code of Practice for the Care and Handling of Pigs and are certified under the Canadian Quality Assurance Program.

Initiatives at Group Companies

In 2023, Group company Prima Meat Packers, LTD. established the Group Procurement Policy to promote responsible procurement that is safe and secure and takes into consideration the global environment, human rights, and animal welfare. At the new farm in Miyagi Prefecture, which began operations in 2023, we have created an environment to alleviate the stress of pigs. In the future, we are considering the introduction of free stalls when building or expanding a new pigpen on another farm, and we plan to promote animal welfare measures.

Sustainability in the Value Chain: Food

Marine Products

We mainly handle skipjack and yellowfin as marine products. In Indonesia, we operate the PT. Aneka Tuna Indonesia (ATI) canned tuna factory in a joint venture with partners. We have established voluntary management regulations for tuna. We are dedicated to our policy of only procuring skipjack and yellowfin that have been appropriately managed by fishing organizations.

- Raw Material Tuna Procurement Policy (https://www.itochu.co.jp/en/csr/pdf/raw_material_tuna_procurement_policy.pdf)

Targets

The acquisition of MSC*1 certification is limited among fishermen for the highly migratory fish of skipjack and yellowfin at present. Under these circumstances, we are also encouraging fishermen to acquire this certification in the trade of skipjack and yellowfin for the raw ingredients in canned food products. We aim to increase MSC raw ingredients to 15,000 tons a year by FYE 2026.

The quantity of pole and line fished*2 raw ingredients in ATI was increased from 8,000 tons in FYE 2014 to 16,600 tons in FYE 2025 (39% of the total quantity handled by ATI). It has become one of the few canned tuna factories in the world that uses a large amount of pole and line fished raw ingredients. We will continue to work to secure, maintain and increase pole and line fished raw ingredients.

*1 The Marine Stewardship Council (MSC) is an international NPO established in 1997 to work on spreading sustainable fishing. Its headquarters are located in London, England.
*2 Pole and line fishing is a method of fishing by catching one fish at a time. It is a sustainable fishing method that does not involve the catch of large quantities of fish at one time. It is said that it is an environmentally friendly fishing method because it is also possible to avoid the bycatch of non-targeted fish.

Sustainability Surveys for Marine Resource Suppliers to Ensure Responsible Procurement Practices

We regularly visit and survey our suppliers. This is so that we responsibly procure marine resources for all the marine products we handle. We also promote cooperation with various fishing organizations. Every year, those in charge of sales visit and survey 28 suppliers applicable to our internal selection criteria in cooperation with our Food Safety and Compliance Management Office. This is for the regular visits and surveys on our suppliers to responsibly procure marine resources. We also engage in business after confirming that suppliers are appropriate from a viewpoint of ESG.

Regarding bonito tuna, which we handle in vast quantities, we prohibit procurement from IUU fishing (concerning illegal fishing: “Illegal, Unreported and Unregulated”). We only procure and purchase marine products whose origin is clearly traceable to fisheries that are properly managed by the Western & Central Pacific Fisheries Commission (WCPFC).

Certifications and External Stakeholder and Initiative Participation

We acquired distributor certification and chain of custody certificate (CoC)*1 certification from the Marine Stewardship Council (MSC) in March 2018.

We joined the Organization for the Promotion of Responsible Tuna Fisheries (OPRT) in 2012 in the tuna business. This is an organization that was established for the sustainable use of tuna resources. We are now promoting initiatives that comply with our aforementioned voluntary management regulations.


Pole and Line Fishing

ATI is strengthening its handling of pole and line fished raw material– considered to be the most environmentally friendly skipjack and yellowfin fishing method. The need for products made with pole and line fished raw material is growing every year in markets with a high interest in sustainability (e.g., the U.K. and Australia) for the canned tuna market as well. It is our policy to strengthen our handling of pole and line fished products manufactured by ATI.

ATI joined the Indonesian Association of Pole & Line and Hand Line in 2014. It is offering its cooperation such as by providing data. This data is used in the Fishery Improvement Program (FIP)*2. ATI is also cooperating for the acquisition of MSC in Indonesia. Moreover, it joined an international organization called the International Seafood Sustainability Foundation (ISSF)*3 in 2016. ATI is offering its cooperation such as by providing information in the same way as it does with the Indonesian Association of Pole & Line and Hand Line.

*1 Chain of custody certificate (CoC) is certification for processors and distributors. This is to ensure the traceability of MSC certified marine products and other products in the management of processing and distribution processes specified by MSC.
*2 The Fishery Improvement Program (FIP) is a project in which small fishermen finding it difficult to acquire MSC certification and market stakeholders cooperate and work together aiming for sustainable fishing under the goal of future MSC acquisition with MSC compliant fishing methods.
*3 The International Seafood Sustainability Foundation (ISSF) is an organization running under the aim of sustainable skipjack and yellowfin fishing. It was launched in response to an appeal by major canned tuna operators in 2009.

■ **Performance Data Related to Certification**

Item			FYE 2023	FYE 2024	FYE 2025	Target (FYE 2026)
Fisheries Raw Materials Handled by ITOCHU	MSC and/or COC Certified Fisheries Raw Materials	MSC/COC Quantity	7,500 tons	10,000 tons	12,500 tons	15,000 tons
		Percentage of MSC/COC Certified Raw Materials	4%	6%	6%	8%
Bonito Tuna for Canned Tuna	ATI Fishing Line	ATI Single Fishing Raw Material Quantity	13,000 tons	13,700 tons	16,600 tons	21,000 tons

MSC/COC Quantity Target in FYE2026
15,000 t

Sustainability in the Value Chain: Textile Raw Materials

Textile Raw Materials

In recent years, the trend for sustainability has been gradually penetrating the fashion market. For example, global fashion brands have declared that they will switch to using environmentally friendly materials (e.g., organic cotton, recycled polyester etc.) for the materials they procure as an initiative to develop the labor environment in the supply chain and to deal with the disposal of clothing and other problems. This issue is particularly important to us given that ITOCHU was founded as a textile raw materials trading business, which remains a cornerstone of our company to this day as a part of the Fashion Apparel Division. Therefore, in our textile business we have made it our policy to shift our raw materials portfolio to environmentally friendly resources and build traceability capacity from raw materials procurement to distribution to manufacturers. Our target for this policy set for 2025, which was to make 50% of the textile raw materials, handled by the section in charge*, traceable and environmentally friendly, as well as to switch 80% of polyester to recycled polyester, was achieved ahead of schedule in 2024.

* The textile raw material section

Organic Cotton Procurement in India

■ **Traceability in Organic Cotton Procurement in India**



When we procure organic cotton in India, we first purchase raw organic cotton that comes with a certificate from a ginning (work to separate the seeds and fibers after harvesting raw cotton) factory in India that has acquired GOTS certification. We deliver that raw organic cotton to spinning factories that have acquired GOTS certification in India or Asia. Finally, we purchase the yarn spun in those spinning factories and sell it to weaving/knitting factories in Japan and overseas. Furthermore, with regards to the traceability of organic cotton, we have implemented measures to leveraging our vast network and experiences to facilitate our cotton farmers in India to shift toward organic farming methods and to support certification acquirements (such as the GOTS certification*) at our cotton mills and ginning factories. Given these initiatives, we have achieved 100% traceability in the organic cotton and the cotton in the 3-year transition period to the organic cotton.

* GOTS certification: a set of comprehensive standards that certifies products made from organic textile. The standards cover the following items: use of certified raw materials and their traceability, control systems to limit or prohibit designated chemical inputs (dyes and auxiliaries) and accessories, separation and identification systems, environmental management, contamination and residue testing, and social criteria (possible sources of information: interview with management, confidential interviews with workers, personnel documents, physical on-site inspection, unions/stakeholders).

Traceable Cotton
100%

Performance Data on Organic Cotton Procurement

All organic cotton is GOTS certified and traceable.

Item	FYE 2023	FYE 2024	FYE 2025
Organic Cotton Handled (1,000 kg)	800	1,876	2,060
Percentage of Cotton Trade	30%	85%	90%
Traceability of Organic Cotton	100%	100%	100%
GOTS Certification of Organic Cotton	100%	100%	100%

Expansion of Environmentally Friendly Materials

Our Apparel Division has been working on branding, commercializing and proposing natural materials for several years. In response to the recent momentum for conversion to sustainable materials in the global apparel market, we are also working to expand our use of environmentally friendly materials.

We launched the RENU Project with the aim of realizing a recycling-oriented society in 2019. The first product in that project came from us developing recycled polyester.

We started the trial deployment of a cellulose material derived from coniferous forests called Kuura in March 2021. This is a new material we have jointly developed with a major company in the Finnish forest industry called the Metsä Group. Using renewable energy in the manufacturing factory and using a special solvent in the manufacturing process for this product has helped us to reduce our burden on the environment. In addition, we have established traceability that even includes the timber for this. These efforts have led to this product attracting attention as an innovative sustainable material.

We will continue to accelerate the pace of our cooperation with global companies toward our increasing use of environmentally friendly materials in the future. At the same time, we will work to acquire certification in the spinning, weaving/knitting and sewing processes and to expand internal cross-company business toward establishing branding and traceability up to commercialization – our medium term target.

- Commitment of Protecting Forests through Material Sourcing of MMCF (https://www.itochu.co.jp/en/csr/pdf/commitment_of_protecting_forests_2019.pdf)
- RENU Project (P74)
- Participation to Textile Exchange “the 2025 Recycled Polyester Challenge” (https://textileexchange.org/2025-recycled-polyester-challenge/)

Social Contribution Activities

Policy & Basic Approach

Viewing issues from a global perspective, we always remain aware of the role to play as a good corporate citizen, see that our activities are at harmony with both local communities and the international community, and contribute to the rise of societies offering a higher quality of life. In order to realize this, we have identified three areas of focus in our basic activity guidelines, and are advancing social contribution activities in partnership with Group companies. These activities also contribute to the achievement of SDGs (Sustainable Development Goals), which were established by the UN in 2015.

The ITOCHU Group Basic Activity Guidelines on Social Contribution

ITOCHU's corporate philosophy of "*Sampo-yoshi*" is said to have originated with economic activities being allowed as good for society because Ohmi merchants contributed to the local economy in the places they visited in addition to being good for the seller and good for the buyer. Based on "*Sampo-yoshi*" the ITOCHU Group is aiming for mutual development in cooperation with regional society and communities. We are doing this by contributing to regional economic development with our business activities and engaging in social contribution activities in the areas in which we do business and other places around the world.

We have determined the following three areas (growth of future generations, environmental conservation and community contribution) as key fields in social contribution activities in line with our corporate philosophy and material sustainability issues.

1. **Growth of Future Generations**
   We shall conduct activities to support the sound development of youth as tomorrow's leaders mainly in the areas in which we do business and work for the emergence of fulfilling and vibrant communities.
2. **Environmental Conservation**
   We shall vigorously pursue activities of environmental conservation and contribute to sustainable social advancement.
3. **Community Contribution**
   As a good corporate citizen, we shall promote community development, construct favorable relationships, and enter into dialogue and discussions in the areas in which we do business.

Fumihiko Kobayashi
Member of the Board
Executive Vice President
Chief Administrative Officer
Established in August 1993
Revised in April 2022

Relationship Between the Key Fields of Social Contribution Activities and Business

We have established enhancing contribution and efforts for the SDGs as one of the basic policies in our Brand-new Deal 2023 medium-term management plan that we started in 2021. It continues to be positioned as one of our major strategies in our Management Policy "The Brand-new Deal" set for 2024.

We give below the relationship between our sustainability strategy of material sustainability issues incorporating environmental, social and governance (ESG) perspectives and enhancing contribution and efforts for the SDGs in our business strategy and the key fields of our social contribution activities.

Key Fields	Enhancing Contribution and Efforts for the SDGs Response to Material Sustainability Issues	
Growth of Future Generations	Main SDGs	Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
	Material Issue	Contribute to Healthier and More Affluent Lifestyles
Environmental Conservation	Main SDGs	Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
	Material Issue	Address Climate Change (Contribute to a Decarbonized Society)
Community Contribution	Main SDGs	Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development
	Material Issue	Respect and Consider Human Rights

Social Contribution Activities

Targets and Action Plan

Target	FYE 2025 Action Plan	Results for FYE 2025	FYE 2026 Action Plan	SDGs (Sustainable Development Goals)
Create fulfilling and vibrant communities through activities that support the sound development of youth as tomorrow's leaders.	1. Support for ITOCHU Foundation 2. Support for KnK's "House for Youth" in the Philippines	1. Held a project to commemorate the 50th anniversary of the foundation. 2,159 people visited the exhibition Children's Reading for the Future at the ITOCHU SDGs Studio Gallery in February 2025. 2. The company continued to support operating expenses and scholarships for graduates. In addition, employees of ITOCHU Manila Branch visit the House for Youth every year, and visited in December to present Christmas gifts. Employees of the Tokyo Head Office also visited in March and met with the children.	1. Support for ITOCHU Foundation 2. Support for KnK's "House for Youth" in the Philippines	
Contribute to the sustainable development of society through environmental conservation activities.	3. Promoting the endangered species Ayumodoki (Parabotia curtus) in collaboration with Shiga Prefecture and the Shiga Prefectural Lake Biwa Museum. 4. Continue promotion of the mangrove planting project in collaboration with Uken Village of Amami Oshima Island. 5. Continue promotion of the project for protecting green turtles, an Endangered Species.	3. Because there were no breeding females available, breeding was successfully undertaken using females from neighboring waters (the same river system), resulting in the maintenance of over 1,000 juvenile fish at the end of FYE 2025. 4. Based on the Industry-Academia-Government Collaboration Agreement on Environmental Conservation and Regional Development in Uken Village, concluded with Uken Village, Sophia University, and JAL in FYE 2024, an environmental survey of afforestation sites and mangrove planting tours were conducted. Approximately 2,000 trees have been planted so far on Edateku Island in Uken Village. 5. Everlasting Nature, a certified NPO working to conserve marine life in the Asian region, has continued to support a green turtle nest count monitoring survey and post-hatching survey at the Ogasawara Marine Center since FYE 2017. The number of green turtles in Ogasawara was confirmed to be stable with no significant increase or decrease in recent years.	3. Promoting the endangered species Ayumodoki (Parabotia curtus) in collaboration with Shiga Prefecture and the Shiga Prefectural Lake Biwa Museum. 4. Continue promotion of the mangrove planting project in collaboration with Uken Village of Amami Oshima Island. Aiming to plant 3,000 trees per year. 5. Continue promotion of the project for protecting green turtles, an Endangered Species.	
As a good corporate citizen, build favorable relationships with the communities in which we do business through community development.	6. Contribution to Shiga Prefecture, where our company was founded. 7. Contribution in Minato Ward, where the Tokyo headquarters is located. 8. Conducted ITOCHU Baseball Class at Meiji Jingu Stadium. 9. Promotion of activities at overseas and domestic offices.	6. Based on the social contribution cooperation agreement with Shiga Prefecture, (1) Donation of picture books in foreign languages to prefectural libraries and (2) Lake Biwa environmental study tours. (1) Picture books were collected from ITOCHU's overseas bases, and in FYE 2025, 508 picture books in 24 languages from 26 countries were donated. (2) Participants deepened their understanding of ecosystem conservation while experiencing the nature of Lake Biwa. 7. 10 employees volunteers participated in the MINATO City Half Marathon. Received visiting students from Aoyama Elementary School for out-of-classroom learning and from Aoyama Special Needs School for a workplace learning experience (8 times). Cooperated in career education at Aoyama Junior High School. 8. Baseball Class held again this year in February. Volunteer employees from 24 ITOCHU Group companies were paired with 53 children. The total number of participants, including the children's families, was 258. 9. 292 employees participated in volunteer activities at overseas sites.	6. Contribution to Shiga Prefecture, where our company was founded. 7. Contribution in Minato Ward, where the Tokyo headquarters is located. 8. Conducted ITOCHU Baseball Class at Meiji Jingu Stadium. 9. Promotion of activities at overseas and domestic offices.	

Social Contribution Activities

Initiatives: Growth of Future Generations

ITOCHU Foundation

ITOCHU has promoted social contribution activities aiming for the sound development of young people since setting up the ITOCHU Foundation (which became a public interest incorporated foundation in 2012) in 1974.

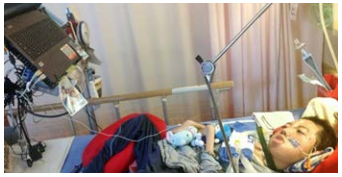
- ITOCHU Foundation(Japanese only) (https://www.itc-zaidan.or.jp/)
- Introduction to the Activities of the ITOCHU Foundation (5 minutes and 31 seconds)Movie (Japanese only) (https://www.youtube.com/embed/6B6u3SwrdEo?rel=0&autoplay=1&showinfo=0)

Children's Literature Collection Grant (1975-)



"BRIDGING FOUNDATION"
A member of the Bridging Foundation reads to patients at a children's hospital ward in Vietnam

Project for Promotion of E-book Libraries



Patients can enjoy Multimedia Daisy while operating a PC with a switch affixed between their eyebrows

"Kokkyo naki Kodomotachi" ("KnK"; Meaning "Children Without Borders") Support Activities at the "House for Youth," a Home That Helps Young People Become Independent

Since FYE 2008, ITOCHU has been supporting the "Wakamono-no-Ie (meaning House for Youth)," a home that helps young people become independent, located on the outskirts of Manila. Support was provided via Kokkyo naki Kodomotachi (KnK: meaning "children without borders"), an authorized Japanese NPO that supports street children, children who are victims of major disasters, and other children in developing countries.



Make effort to realize his dream through study

ITOCHU SDGs STUDIO KIDS PARK



We opened ITOCHU SDGs STUDIO KIDS PARK, a place where the next generation of children can experience the concepts of the SDGs through play.

ITOCHU Baseball Class held at Meiji Jingu Baseball Stadium



This class has been held since 2007 to encourage children with disabilities to enjoy playing baseball. ITOCHU Group employees also participate as volunteers.

Initiatives: Environmental Conservation

Mangrove Planting Project

ITOCHU commenced a Mangrove Planting Project in Collaboration with Uken Village of Amami Oshima Island, a World Heritage Site in August, 2021.

* Mangrove: Densely developed fine roots constantly repeat elongation and death, and withered branches and leaves accumulate as peat, which sequesters high-density carbon in the soil and absorbs a large amount of CO_2 per unit area.



Tree planting by children

Project for Protecting Green Turtles, an Endangered Species

ITOCHU supports conservation activities for the green turtle, an endangered species, through the certified NPO Everlasting Nature (ELNA).



Green Turtles, an Endangered Species

Collaborative Conservation Project for Rare Freshwater Fish with Shiga Prefecture and Shiga Prefectural Lake Biwa Museum

ITOCHU has been undertaking a collaborative project with Shiga Prefecture and the Shiga Prefectural Lake Biwa Museum since 2022 to conserve the endangered Ayumodoki fish.



Endangered Species "Ayumodoki"
Provided by: Lake Biwa Museum

Supporting Climate System Research at the Atmosphere and Ocean Research Institute, The University of Tokyo

Since the establishment of the University of Tokyo's former Climate System Research Center in 1991, ITOCHU has endorsed its purpose and has continued to support research.



The Climate Symposium (Dec. 2018)

Social Contribution Activities

Achievements in Business-Related Areas

Data from a survey for artificial insemination for breeding of Ayumodoki at Lake Biwa Museum

Subject	Activities	Indicator Unit		2022	2023	2024
Ayumodoki		Breeding *1	Target value	200	200	200
			Actual	95	56	1,016
	Breeding by artificial insemination	Cumulative number of fry bred	Target value	100	200	200
			Actual	0	0	1,090
		Average total length after 11 months (mm)	Target value	30	30	55
			Actual	0	0	62.8*2

*1 Number of fish kept is as of December 31 of each year.
*2 Average of all or 10% and 20% (10 to 30 individuals) selected from each tank.

Project Data Monitoring the Spawning and Post-hatching Mortality of Green Turtles in the Ogasawara Islands

		Unit		2020	2021	2022	2023	2024	2024 Compared to the Previous Year	2024 Compared to 2000
Survey Scale	Number of Surveyed Coasts	Coast	Chichijima Islands	30	30	30	22	22	100%	
			Hahajima Islands	10	10	10	7	7	100%	
			Mukojima Islands	10	10	—	8	8	100%	
	Total Number of Surveys Conducted	Times		172	202	182	167	187	112%	
	Total Survey Personnel	Person		692	934	957	798	922	116%	
Results	Number of Surveyed Green Turtle Nests	Nest	Chichijima Islands	1,700	1,200	1,700	1,400	1,700	121%	378%
			Hahajima Islands	400	330	300	280	500	179%	
			Mukojima Islands	28	33	—	30	40	133%	
	Number of Surveyed Post-hatching Nests (Conducted only on Chichijima Island)	Nest		1,200	930	1,120	761	1,100	145%	
	Baby Turtles Returning to the Sea (Conjecture)	Head		55,000	44,000	56,000	48,000	70,000	146%	
	Escape Rate (Number of Escaped Turtles / Number of Eggs)	%		36	29	34	35	42	120%	
Reviews	The Increasing Trend of Green Turtles in Ogasawara (Conjecture)	—		Stable with no significant increase or decrease since 2017.						
	Future population projections	—		The estimated number of juvenile turtles produced in Chichijima Islands is approximately 51,200/year. The estimated annual number of surviving turtles (surviving to maturity) is 128 turtles/year. *1						

● Figures are approximate due to unpublished data. Table based on ELNA activity report
*1 Estimated based on an escapement rate (average in Chichijima Islands from 2017-2023) of 32% and a hatching juvenile survival rate of 0.25%.

Social Contribution Activities

Initiatives: Community Contribution

Local Contribution Activities at Domestic Locations

Seven offices in Japan (as of April 1, 2025) are engaged in community contribution activities in their respective regions. For details on initiatives taken by each location, please refer to Community Contribution (https://www.itochu.co.jp/en/csr/social/community/index.html#activity-05).

ITOCHU SDGs STUDIO



We opened ITOCHU SDGs STUDIO, a place for communicating and raising public awareness of various SDGs initiatives in FYE2022. The space provides various exhibitions so as each and every person can find their own way of relating to the SDGs.

Contribution to Shiga Prefecture, where ITOCHU was founded World Picture Book Donation Project for Shiga Prefectural Library



Picture books gathered from around the world

Held Company Visits for K-12 Students



Hosted extracurricular class for Aoyama Elementary School

Blood Drives by the Japanese Red Cross Society

The Tokyo Headquarters have been carried out blood donation with the Japanese Red Cross Society since 1999. For our many year of distinguished achievements in the blood donation even during the pandemic received a certificate of appreciation in 2021 from the Minister of Health, Labour, and Welfare.

Local Contribution Activities at Overseas Offices

About 90 overseas offices in 60 countries (as of April 1, 2025) are engaged in community contribution activities in their respective regions. Not only through their business activities, but as a member of the local community, ITOCHU considers and carries out local issues and unique contributions. For details of the initiatives taken by each regional block, please refer to Community Contribution (https://www.itochu.co.jp/en/csr/social/community/index.html#activity-04).



Cleanup activity in the desert of the Jebel Ali industrial area in Dubai.

Local Job Creation and Employment

Pineapple Production Business by the Dole Group, a Member of the ITOCHU Group

Dole Philippines (Dolefil), a subsidiary of Dole International Holdings, Inc. under the ITOCHU Group, entered Mindanao, the Philippines, in 1963. Dolefil has achieved sustainable business development over the past 60 years through management that emphasizes coexistence with the local community. Dolefil supports farmers by providing them with harvest purchase contracts, lending them heavy machinery, and sharing knowledge on how to improve production efficiency, thereby helping them achieve stability. Dolefil actively recruits local residents (including indigenous and ethnic minorities) at its processing plants and provides them with the necessary training for on-site operations to improve workplace safety and product quality.
In addition, Dolefil works with the Mahintana Foundation, Inc., an NGO spun out from Dolefil's CSR department, to support local industry, job creation, environmental protection, education, and livelihoods. For example, the company has a project to donate chairs made from its wood pallet waste to local schools. With contributions from employee salaries and additional contributions from Dolefil, it outsources manufacturing to local contractors, promoting community development through a combination of materials recycling and job creation.
As a new production base, Sierra Tropical Limited has been cultivating pineapples and producing processed pineapple products in Sierra Leone in West Africa since April 2022. The company currently employs more than 1,800 people at salaries above the local minimum wage, with the expectation of more than 3,000 local employees in the future. The project has contributed to increased local employment, the development of the local economy, and improved living standards.



Chairs for schoolchildren made from reused wooden pallets.
Dolefil has donated over 70,000 chairs to local schools over the past 20 years.



Dole's business in Sierra Leone has been fully operational since July 2022, providing 14 wells as part of efforts to improve living standards.

Oil Field Development Project in the Caspian Sea that Both Secures Stable Resources and Contributes to and Coexists with Local Communities

As a member of an international consortium operated by BP, ITOCHU Corporation participates in the ACG project, a crude oil development and production project in the Caspian Sea in Azerbaijan, and the BTC oil feed pipeline project. Crude oil produced at the ACG project is supplied primarily to the European market via the BTC pipeline, thus contributing to the stable supply of energy in the world. These projects operate in strict compliance with environmental and labor-related laws and industry standards, as well as initiatives to reduce carbon emissions from operations. In addition to contributing to the creation of local employment, both projects are involved in a number of activities that contribute to the local community, such as education and employment support, assistance to the agricultural industry, etc. As ITOCHU Corporation, we have donated PCs to elementary and junior high schools and solar panels to a national park, the State Baku Zoo and Azerbaijan National Conservatory.



Production platform
(photo courtesy of BP p.l.c.)



Solar Panels Donated to Azerbaijan National Conservatory (Completion December 2024)

ESG Data (Society)

Independent Assurance

Independent Assurance Report (P251): ★Data assured by KPMG AZSA Sustainability Co., Ltd, an external assurance provider based on the international standard ISAE 3000.

* Regarding range of tallied data, figures not labeled as Consolidated are placed under Non-Consolidated.

Basic Information

Employee Status (as of March 31 for each respective year)

	Non-Consolidated					Consolidated	
	Employees (people)	Men (people)	Women (people)	Avg. Age (years old)	Avg. Annual Salary (Yen)*1	Employees (people)*2	Temporary Staff (people)*3
2025	★ 4,114	★ 3,061 (74%)*4	★ 1,053 (26%)*4	★ 42.2	★ 18,045,578	★ 115,089	★ 46,080
2024	4,098	3,072 (75%)	1,026 (25%)	42.3	17,536,469	113,733	45,193
2023	4,112	3,111 (76%)	1,001 (24%)	42.4	17,300,799	110,698	44,705
2022	4,170	3,180 (76%)	990 (24%)	42.2	15,797,516	115,124	43,195
2021	4,215	3,227 (77%)	988 (23%)	42.0	16,278,110	125,944	45,885

*1 The average annual salary, effective from 2024, is calculated excluding employees on leave and those on fixed-term contracts such as rehired retirees.
*2 The number of consolidated employees is the number of employees including subsidiaries (including seconded employees and excluding executives, seconded employees to other companies, and temporary employees).
*3 Temporary staff, including those from subsidiaries, are defined as temporary staff, contract employees, part-time workers, and part-timers with a contract period of one month or longer, and the number is calculated as [(the number of temporary staff at the beginning of FYE) plus (the number of temporary staff at the end of FYE) devided by 2] as the average number of temporary staff for each fiscal year.
*4 Only the number of people is covered by the Independent Assurance.

Employees by Operating Segment★ (as of March 31, 2025)

(Unit: People)

	Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Others	Total
Non-consolidated	309	413	167	374	413	232	246	44	887	3,085
Consolidated	8,971	13,388	524	11,650	31,380	21,454	18,034	7,069	2,619	115,089

• The number of employees in each segment on the consolidated basis is the number of employees including subsidiaries (including seconded employees and excluding executives, seconded employees to other companies, and temporary employees).

Overseas Bloc Employees by Region★ (as of March 31, 2025)

(Unit: People)

	North America	South America	Europe / CIS	Africa	Middle East	East Asia	Asia / Oceania
National Staff	128	107	260	62	115	556	590
Rotational Staff	56	20	59	17	25	67	105
Overseas Trainees	17	3	17	2	5	15	24
Total	201	130	336	81	145	638	719

• Overseas bloc employees by region counts employees who are assigned to overseas subsidiaries or overseas branches/offices.

Average Years Employed and Voluntary Resignation Rate (Non-Consolidated)

		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Avg. Years Employed (Unit: years)	Men	17years 10months	18years 1month	18years 3months	18years 2months	★ 18years 2months
	Women	18years 5months	18years 5months	18years 3months	18years 0month	★ 17years 5months
	Total	17years 11months	18years 2months	18years 3months	18years 2months	★ 18years 0month
Voluntary turnover Rate*1	Men	1.2%	1.7%	1.9%	1.5%	★ 1.5%
	Women	2.4%	1.5%	1.6%	1.7%	★ 2.0%
	Total	1.5%	1.6%	1.9%	1.6%	★ 1.6%
Voluntary turnover rate among new graduates within three years of hiring		4.3%	2.3%	6.7%	6.9%	3.7%

• Positions: career-track, business expert (BX) (see P132), special
*1 Voluntary turnover rate ia calculated as [(the number of employees who voluntary resigned) devided by (the number of employees at end of fiscal year)]

Working Hours & Annual Paid Leave

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Annual paid leave acquisition rate	54%	61%	63%	66%	69%
Annual average actual working hours	2,150	2,127	2,098	2,092	2,075
Monthly average overtime hours (Hours/Month)*1	Approx. 25	Approx. 16	Approx. 13	Approx. 12	Approx. 11

*1 The figure adds up the portion of actual working hours that exceeds the statutory working hours of eight hours.

ESG Data (Society)

Diversity

Gender Pay-Gap

	All Employees	Full-time Employees	Part-time Employees
FYE 2025*1	58.4%	59.2%	60.9%
FYE 2024	58.5%	59.3%	52.5%
FYE 2023	59.1%	60.5%	41.6%

- The formula of the caluculation is [(average womens' annual salary) devided by (average mens' annual salary)].

*1 Based on the special measure system for appointing female executive officers introduced in FYE 2024, the five female executive officers appointed as of April 1, 2024, are included in the employee count.

Number of Hires by Gender and Adoption Rate for Mid-Career

	Number of Hires by Gender (Unit:People)							Adoption Rate for Mid-Career (Unit:%)
	New-Graduates			Mid-Career			Total	
	Men	Women	Total	Men	Women	Total		
FYE 2025★	95	60	155	22	5	27	182	15
FYE 2024	82	53	135	19	5	24	159	15
FYE 2023	73	34	107	8	6	14	121	12
FYE 2022	80	36	116	1	1	2	118	2
FYE 2021	84	36	120	5	2	7	127	6

- The scope of the period is fiscal year (1st of April - End of March).

Share of Women in Career-track / Managerial / General Managerial / Executive Positions (as of March 31 for each Respective Year)

(Unit: People)

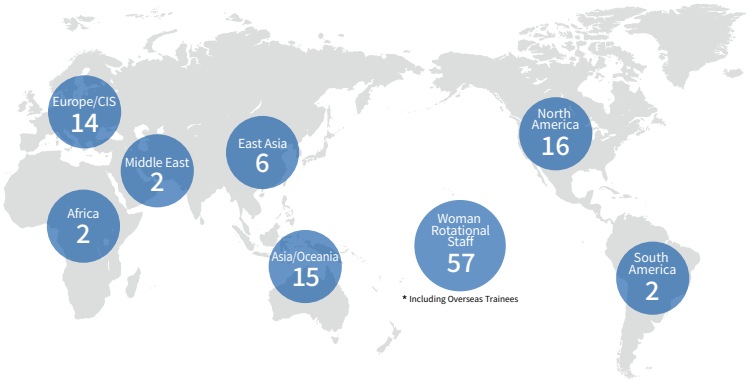
	Career-track			Managerial*1			General Managerial*2			Executive Positions*3		
	Total	Women	Share	Total	Women	Share	Total	Women	Share	Total	Women	Share
2025★	3,318	416	12.5%	2,542	229	9.0%	394	6	1.5%	47	10	21.3%
2024	3,308	395	11.9%	2,522	223	8.8%	392	3	0.8%	41	5	12.2%
2023	3,331	375	11.3%	2,541	219	8.6%	401	3	0.7%	38	4	10.5%
2022	3,395	359	10.6%	2,569	210	8.2%	413	3	0.7%	41	4	9.8%
2021	3,435	346	10.1%	2,588	209	8.1%	411	3	0.7%	46	4	8.7%

*1 "Managerial" include those in general positions above a certain rank, as well as special positions equivalent to managerial roles and associate executive officers.
Based on the special measure system for appointing female executive officers introduced in FYE 2024, the five female executive officers appointed as of April 1, 2024, are included in the employee count.

*2 "General Managerial" includes employees in higher managerial roles, and also includes executive officers and associate executive officers.

*3 In accordance with the revision of the personnel system for executive officers, we have reviewed part of the aggregation criteria. Consequently, the numbers and ratios for 2023 and 2022 have been retroactively corrected.

Women Rotational Staff (as of April 1, 2025)



ESG Data (Society)

Use of Childcare & Nursing Care Programs

Childcare

(Unit: People)

		Childcare leave*1	Childcare leave acquisition rate*2	Leave to nurse sick children	Shorter working hours for childcare	Special parental leave	Percentage of employees returning to work*3
FYE 2025★	Men	75	96%	109	0	4	100%
	Women	38	103%	139	80	23	
	Total	113	98%	248	80	27	
FYE 2024	Men	51	53%	102	0	5	96%
	Women	45	100%	145	74	22	
	Total	96	68%	247	74	27	
FYE 2023	Men	39	52%	67	0	4	96%
	Women	48	100%	125	89	19	
	Total	87	71%	192	89	23	
FYE 2022	Men	32	34%	71	0	7	100%
	Women	47	104%	124	94	16	
	Total	79	56%	195	94	23	
FYE 2021	Men	31	34%	49	0	8	97%
	Women	49	87%	105	96	28	
	Total	80	55%	154	96	36	

*1 Childcare leave includes childcare leave at birth (postpartum paternity leave).
*2 The number of employees taking the childcare leave is the number of employees who started taking such leave during the current fiscal year. The "Childcare leave acquisition rate" is the ratio of the number of employees who started taking parental leave during the fiscal year to the number of employees who gave birth during the fiscal year (For men, the number of male employees whose spouses gave birth). (Including the number of employees seconded from other companies)
*3 The percentage of employees (including those seconded to other companies) returning to work after childcare leave is calculated according to the following formula: the number of employees returning to work after childcare leave during the current fiscal year/the number of employees who finished taking childcare leave during the current fiscal year.

Nursing Care and Family Support Leave

(Unit: People)

		Nursing care leave	Leave for nursing care	Shorter working hours for nursing care	Special nursing care leave	Family Support Leave
FYE 2025★	Men	0	29	0	4	48
	Women	1	40	4	7	78
	Total	1	69	4	11	126
FYE 2024	Men	0	32	0	3	49
	Women	0	49	3	9	73
	Total	0	81	3	12	122
FYE 2023	Men	0	23	0	4	55
	Women	0	45	3	9	70
	Total	0	68	3	13	125
FYE 2022	Men	1	18	0	3	70
	Women	0	47	5	9	72
	Total	1	65	5	12	142
FYE 2021	Men	1	23	0	0	79
	Women	0	46	5	8	63
	Total	1	69	5	8	142

Employment of Disabled Persons (as of March 1 for each Respective Year)

	Percentage of Disabled Employees (%)
2025★	2.42
2024	2.43
2023	2.48
2022	2.43
2021	2.32

- ITOCHU Corporation, ITOCHU UNIDAS Co., Ltd. and ITOCHU Human Resources & General Services Co., Ltd are included in the scope of the figure.

ESG Data (Society)

Number of Overseas Local Employee Management Personnel (as of March 31, 2025)

(Unit: People)

	North America	South America	Europe / CIS	Africa	Middle East	East Asia	Asia / Oceania
Management Personnel	85	36	58	9	31	333	187

• Equivalent to headquarters management positions

Workshops on Diversity, Equity & Inclusion

Fiscal Year	Theme
FYE 2025 (Offline・Online)	**1.** ITOCHU Femtech Junction! **2.** Utilizing Femtech for Menopause and Egg Freezing **3.** Women's Advancement (Lecture by Executive Officer) **4.** Deepening understanding of challenges faced in the office through the eyes of LGBTQ **5.** Balancing career and child-care from the perspective of working parents
FYE 2024 (Offline・Online)	**1.** Femtech Fes!? (In-house exihibition utilizing femtech) **2.** Women's Advancement (Women's Advancement Committee × BHP) **3.** Lesson for "Mom-to-be" and "Dad-to-be" (Promotion of childcare leave for male employees) **4.** Balancing career and nursing care (Basic knowledge on nursing care, long-distance nursing care) **5.** Basic knowledge on LGBTQ
FYE 2023 (Offline・Online)	**1.** Introduction of Health and Child Care Concierge **2.** Balancing Pregnancy with Pregnancy and Introducing Support Programs **3.** Basic LGBTQ knowledge and partnerships **4.** Male parental leave **5.** Balance with nursing care

Human Resources Development

Time/Cost Allotted for Employee Skills Development Training

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Total annual training time (hours)	92,431	112,574	87,841	115,649	125,055

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Average training/development hours per regular employee (hours)*1	21.9	27.0	21.4	28.2	31.0
Average training/development cost per regular employee (thousand yen)	26.0	26.9	39.6	55.5	60.6

*1 Calculation method: [(total annual training hours) devided by (employees at end of fiscal year, excluding employees on administration leave for FYE 2025)]

Attendance in Major Training

(Unit: People)

Training	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Quick Mastering Business Management Course	152	172	173	145	167
Global Development Program	0 (Cancel)	0 (Not implemented)	33	102	102
Organization Manager Workshop	341	624	1,401	649	701
Short-Term Business School Dispatch	8	7	16	36	37
Junior Chinese/Special Language Dispatch	0 (Cancel)	0 (Not implemented)	5	15	13
Chinese Lessons	205	189	193	233	203
Career Vision Support Training (total)	2,067	1,851	1,419	1,210	1,458

FYE 2025 Human Rights Training Record★

(Unit: People)

	Number of Participants
Group ESG Managers Conference	70
New Employee Training	157
Training for Newly Appointed Section Managers	58
Organization Manager Workshop	701
Pre-overseas Appointment Training	180
Training for New Officers of Group Companies	87
Sustainability Survey Workshop	67
Total	1,320

ESG Data (Society)

Occupational Health and Safety

Occupational Health and Safety Data (Non-Consolidated Employees)

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FYE 2025★	
	Employees	Contractors	Employees	Contractors	Employees	Contractors	Employees	Contractors	Employees	Contractors
Number who Suffered from Occupational Accidents (Number which Occurred During Commute)*1	4 (3)	1 (1)	5 (4)	0 (0)	3 (0)	0 (0)	5 (3)	3 (1)	7 (5)	2 (0)
Number of Fatalities	0	0	0	0	0	0	0	0	0	0
OIFR (Occupational Illness Frequency Rate)*2	0	0	0	0	0	0	0	0	0	0
Number who Suffered Lost Time Incidents (LTI)*3	1	0	0	0	0	0	0	1	0	1
LTIFR (Lost Time Injury Frequency Rate)*4	0.21	0	0	0	0	0	0	4.91	0	3.76

- Employees targeted: Employees — Full-time career-track employees, business expert (BX) (See P132) employees, those in special positions and employees temporarily assigned to us Contractors — contract employees (including Part-time employees)

*1 Number who suffered from occupational accidents: The total number of those who suffered from of occupational accidents or non-LTI due to their work and those injured during their commute. The breakdown of the number of workplace accidents is as follows: 7 falls and 2 others.
To prevent falls and other accidents during commuting, safety reminders are issued on the company's intranet during inclement weather.
*2 OIFR: The rate of incidence of lost-time accidents corresponding to disease per million hours [calculated as (the number of people suffering from LTI due to illness) divided by (the total number of working hours) then multiplied by one million hours.]
*3 We define Lost time injuries (LTI) as incidents where a work-related injury or illness causes the victim to be absent from work on the next working day. If the employee took a leave of absence after the next working day, it is not included in the aggregation.
*4 LTIFR: The rate of occurrence of incidents that caused employees to miss work per million working hours [calculated as (the number of sufferers of LTI) divided by (the total number of working hours), then multiplied by 1 million hours]

■ Performance Benchmarking Against Industry Average (Wholesalers and Retailers with Over 100 Employees)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Lost-time Incident Rate	2.27	2.31	1.98	2.43	2.60

- The data above references the Ministry of Health, Labor and Welfare's FYE 2025 Research on Work-related Accident Trends

Attendance in Training Related to Health and Safety Standards (Non-Consolidated Employees)

(Unit: People)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
General Training Covering Health and Safety Standards*1	1,447	841	2,690	2,865	★2,815
Human Resources-led Training Covering Health and Safety Standards*2	74	63	358	719	★498

*1 The total number of participants in training new recruits (career-track employees and business expert (BX) employees (see P132)), training for newly appointed section managers, training in preparation for overseas assignments or junior overseas training, and the comprehensive emergency drill at the Tokyo headquarters.
*2 The total number of participants in Career vision training (including mindfulness courses and mental health management courses).

FYE 2025 Number of Employees that Received Our Main Health and Safety-related Trainings

(Unit: People)

Type of Training	Training Details	Number of Employee Attendees
Training New Recruits	Employees newly joining ITOCHU are informed on the importance of health for their personal life and their career. The training includes information on mental health and lifestyle-related diseases. Employees are also educated on the company's health and safety management by our occupational physician and our clinical psychologist.	157
New Manager Training on Health Management	For newly promoted junior managers, industrial physicians and clinical psychologists provide training on how to guide and manage the health and safety of subordinates through case-studies. The training also provides guidance on how to maintain one's own health once promoted to their new positions.	58
Training in Preparation for Overseas Assignments or Junior Overseas Training	The training is mainly conducted by our occupational physician, and covers health issues that are likely to occur in relevant countries, as well as crucial differences in medical environments and lifestyles between Japan and assigned countries. The training also covers necessary preparations that are recommended prior to dispatch, and information on how to receive health checkups during their assignment. We also provide the same training for the family members of our employees, and provide information on key contact points and resources in case of emergencies.	469



Governance

Governance

Corporate Governance

Policy and Basic Concept

The ITOCHU Group declares the spirit of "*Sampo-yoshi*" (Japanese for "good for all three sides": good for the seller, good for the buyer, and good for society) to be our corporate mission based on the philosophy of our founder, Chubei Itoh I. We seek not only to achieve profit but also to help address social issues, in line with the trust and expectations placed on us by our customers, shareholders, employees, and various other stakeholders. Through the business spirit of "*Sampo-yoshi*," ITOCHU aims to have an ongoing and positive social impact and to contribute to a sustainable society for all. Furthermore, we adopt "I am One with Infinite Missions" as our guideline of conduct. These words mean that each individual employee should consider his or her business conduct on his or her own initiative in order to complete our infinite missions aim for better business operations which are good for the seller, good for the buyer, and good for society as well as for a better future.

It is our fundamental management policy to build a fair and good relationship with various stakeholders based on our corporate mission and our guideline of conduct and thus improve our corporate value from a long-term perspective. In accordance with this policy, with the intention to ensure proper and efficient execution by management, we will enhance the transparency of decision-making and establish a corporate governance system in which monitoring and supervision functions are appropriately incorporated.

A strong leadership and a transparent decision-making system are pillars of good corporate governance. ITOCHU adopts an organizational structure with the presence of Audit & Supervisory Board (kansayaku secchi kaisha). In recent years, ITOCHU has gradually shifted to a governance model where executive officers decide and carry out the day to day business under the direction and supervision of the Board of Directors, along with implementing measures to strengthen monitoring.

In order to separate execution by and monitoring over management, we reduced the number of executive Directors and the increased percentage of Outside Directors on our Board of Directors to one-third or more from April 2017. We will also maintain this percentage of Outside Directors also in FYE 2021 and onwards. Additionally, ITOCHU has established, as voluntary advisory committees to the Board, a Governance, Nomination and Remuneration Committee, which is chaired by an Outside Director and comprised of a majority of Outside Directors and a Women's Advancement Committee as another voluntary advisory committee which is chaired by an Outside Director, with at least half of its members comprised of Outside Directors and Audit & Supervisory Board Members (collectively "Outside Officers"), and has continued to monitor management through the eyes of Outside Officers. ITOCHU continues to maintain oversight of management by Outside Officers.

In appointing Outside Officers, ITOCHU places great importance on their independence, and in this connection, ITOCHU has adopted its own independence criteria, augmenting the independence criteria established by the Tokyo Stock Exchange.

This highly independent Board of Directors monitors execution by management as well as deliberates the execution of business that is of high quantitative or qualitative importance. The Company believes this arrangement facilitates not only appropriate monitoring over execution by management but also the consideration of important business execution from an external perspective.

It is also vital that ITOCHU disclose its financial and non-financial information to stakeholders as part of good governance. For this purpose, ITOCHU adopts a "Basic IR Policy" to further promote multi-party stakeholder dialogue, and makes best efforts to disclose such information both timely and adequately. Through communication with its stakeholders, ITOCHU aims to enhance its corporate value on a long-term basis.

We believe that our current corporate governance structure accords with good and effective corporate governance called for by the Tokyo Stock Exchange, in its Corporate Governance Code. ITOCHU will continue to evaluate and improve its corporate governance structure so that it always best suits ITOCHU in any given moment and time in its corporate history.

Corporate Governance Action Plan

Risks	Opportunities
Occurrence of business continuity risk or unexpected loss resulting from the malfunction of corporate governance or internal control.	Improvement of transparency in decision-making, appropriate response to changes and establishment of a stable basis of growth enabled by the establishment of a firm governance system.

Materiality	SDGs Targets	Impact Classification	Issues to address	Business area	Commitment	Specific approach	Performance indicators	Degree of Progress
Maintain Rigorous Governance Structures	16	Governance	Maintaining and reinforcing a governance system for achieving sustainable growth	Corporate governance	We will implement highly effective supervision over the management from an independent and objective standpoint and ensure the appropriate and efficient execution of business operations by improving the transparency of our decision-making, aiming to our sustainable growth as well as the medium- and long-term improvement of our corporate value.	• Appoint several outside Directors, who have a high level of independence that fulfills our independence criteria and are expected to contribute to the company management with a high level of knowledge in their respective fields. • Maintain a highly transparent and objective Directors' and officers' remuneration system, which can increase their motivation to contribute to our medium- and long-term improvement of our company's performance and the improvement of our corporate value.	Continue to implement measures to strengthen the supervising function of the Board of Directors, through an annual evaluation of the Board of Directors.	• We have maintained the diversity of the Board of Directors (always appointing one third or higher percentage of outside Directors- four outside Directors out of 11 Directors, two female Directors out of 11 Directors, two female Audit & Supervisory Board Members, and an outside Director and an outside Audit & Supervisory Board Member with a wide range of sufficient experience in corporate management). • The majority (four out of seven members) of the Governance, Nomination and Remuneration Committee and its chair continue to be outside Directors. • The chair of the Women's Advancement Committee continues to be a female outside Director; half of the members are outside Directors and outside Audit & Supervisory Board Members, and half of the members are female (3 out of 6 in each case).

Corporate Governance

Compliance with Corporate Governance Code

As of June 20, 2025, ITOCHU complies with all principles set forth in Corporate Governance Code.

For details, please refer to Corporate Governance Report (1.16MB) (https://www.itochu.co.jp/en/files/CG_e.pdf)

Reason for Adopting the Current System

The Company, as a company with Audit & Supervisory Board Members, endeavors to strengthen the monitoring/supervising function and ensure the transparency of decision making by having the Audit & Supervisory Board Members (including outside Audit & Supervisory Board Members) fully monitor corporate management. In addition to its corporate governance system primarily based on the monitoring of corporate management by Audit & Supervisory Board Members, the Company appointed Outside Directors to comprise a percentage of one-third or more of the total number of Directors since FYE 2018, and will also maintain this percentage of Outside Directors onwards. And, the Company has already appointed independent Outside Directors and established, as voluntary advisory committees to the Board, the Governance, Nomination and Remuneration Committee, which is chaired by Outside Directors and with a majority of its members comprised of Outside Directors, and Women's Advancement Committee which is chaired by an Outside Director, with a majority of its members comprised of Outside Officers, for the purpose of further increasing the effectiveness of the supervision of management by the Board of Directors and strengthening and improving the transparency of decision making. In the process of appointing the Outside Officers, the Company focuses securing independency of the Outside Officers, and in addition to the independence criteria established by the Tokyo Stock Exchange ITOCHU has adopted its own independence criteria.

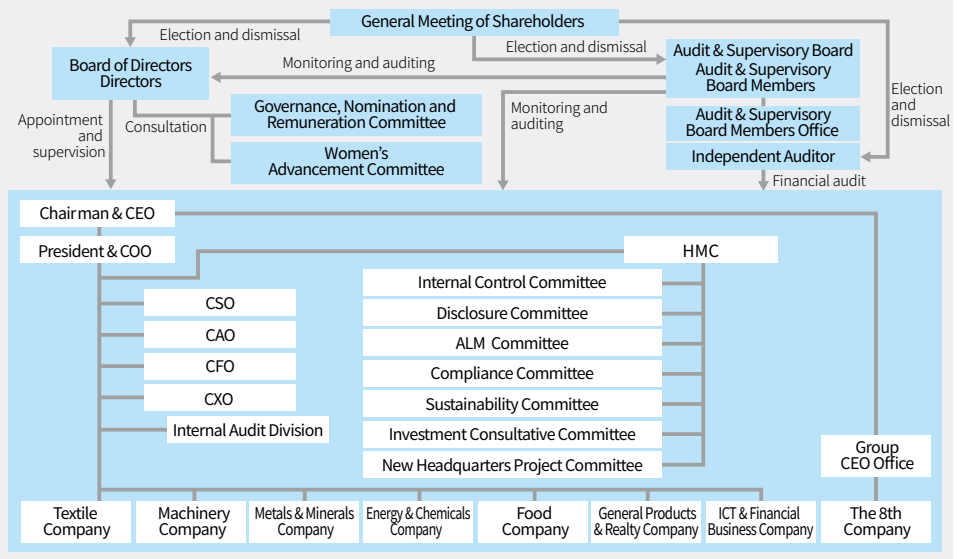
The Company believes that its current corporate governance system—which is based on independent Outside Directors comprising one-third or more of the Board of Directors, the said voluntary advisory committees to the Board and the Audit & Supervisory Board, majority of whom are outside Audit & Supervisory Board Members—accords with ITOCHU's "Basic Policy" stated in the Corporate Governence Report

Structures and Systems

Corporate Governance

1. As the decision-making body, the Board of Directors, consisting of Directors and Outside Directors, is to decide important matters in accordance with laws and regulations, the Articles of Incorporation, the "Board of Directors Regulations," and other internal regulations, and as the supervisory body, the Board of Directors is to supervise the performance of the directors.
2. Each director is to carry out such director's functions and duties as designated by the Board of Directors in accordance with laws and regulations, the Articles of Incorporation, resolutions by the Board of Directors, and internal regulations.
3. ITOCHU is to adopt the Executive Officer System to strengthen the decision-making function and supervisory function of the Board of Directors, and to streamline executive decision-making. Based on the approval of the Board of Directors, executive officers implement their designated duties based on delegation from the Board of Directors and representative directors.
4. The corporate auditors are to oversee the performance of the directors based on the "Board of Corporate Auditors Regulations" and "Auditors' Auditing Standards."

Overview of ITOCHU's Corporate Governance and Internal Control System (As of June 20, 2025)



*1 CEO=Chief Executive Officer COO=Chief Operating Officer CSO=Chief Strategy Officer
CAO=Chief Administrative Officer CFO=Chief Financial Officer CXO=Chief Transformation Officer
HMC=Headquarters Management Committee ALM=Asset Liability Management
*2 CAO is the chief officer for compliance. Also, each Division Company has a Division Company president.
*3 Internal control systems and mechanisms have been implemented at every level of ITOCHU. Only the main internal control organization and committees are described herein.

Corporate Governance

Board of Directors

Overview

- The Company is a company with the Board of Directors and Audit & Supervisory Board Member (the Audit & Supervisory Board).
- As from April 1, 2018, the Chairman of the Company is the Chief Executive Officer, and the President of the Company is the Chief Operating Officer.
- The Board of Directors, comprising 10 Directors including 4 Outside Directors, is chaired by the Chief Executive Officer. The Board of Directors meets, in principle, at least once a month, and it makes decisions on important matters in accordance with laws and regulations, the Articles of Incorporation, the "Board of Directors Regulations," and supervises the performance of the Directors. Two of the Outside Directors are female, and the average term our internal Directors have been on overseas assignments will be 5.6 years (as of June 20, 2025).
- In FYE 2025 the Board of Directors held a total of 13 meetings, which were attended by all Directors and all Audit & Supervisory Board Members. In addition, there were seven (7) proposals for board resolution by paper circulation, and all directors expressed their consent for all proposals, while all auditors did not raise any objections. Therefore, the board resolutions were deemed to have been adopted.
- In FYE 2025, a total of 67 agenda items were submitted to the Board of Directors (excluding the aforementioned matters resolved by paper circulation). The main agenda items were as follows:
  - Financial Results, Dividends, Financing, Treasury Share Acquisitions
  - Management Policy and FYE 2025
    Management Plan, Overview of Results of the Evaluation as to the Effectiveness of the Board of Directors
  - Policy for the holdings of listed shares other than affiliates for FYE 2025
  - Report on the evaluation of the establishment and operational status of the internal control system for FYE 2024 and the first half of FYE 2025
  - Report on the current status of the Digitalization strategy
  - Report with respect to the sustainability development
  - Executive compensation system

Corporate Governance System (As of June 20, 2025)

Type of system	Company with the Board of Directors and the Audit & Supervisory Board
Number of Directors (Of which, number of outside Directors)	10 (4) * 2 of the Outside Directors are female, and the average term our internal Directors have been on overseas assignments is 5.6 years.
Number of Audit & Supervisory Board Members (Of which, number of outside Audit & Supervisory Board Members)	5 (3)
Term of office for Directors	1 year (the same for Outside Directors)
Adoption of an Executive Officer System	Yes
Organization to support CEO decision-making	Headquarters Management Committee (HMC) deliberates on companywide management policy and important issues
Advisory committees to the Board of Directors	Governance, Nomination and Remuneration Committee, Women's Advancement Committee
Director Remuneration System Details of Corporate Officer Remuneration System (P206)	(1) Monthly remuneration (Fixed) Determined according to factors that include degree of contribution to ITOCHU, including addressing climate change, ESG and SDGs, based on a standard amount for each position In determining the Monthly Remuneration to be paid from July 2026 onwards, the performance evaluation for FYE2026 will be conducted by assessing the creation of business opportunities and risk-management measures, with these evaluations incorporating climate change and ESG and SDGs considerations. (2) Performance-linked bonuses (Variable(Single Year)) Total amount is determined based on consolidated net profit, and individual amount is determined in relation to the position points for the Director, etc. (3) Share price-linked bonuses (Variable(Medium- to Long-term)) Calculated by adding the evaluation of the relative growth rate of ITOCHU's share price compared to Tokyo Stock Price Index (TOPIX) to the amount of increase of ITOCHU's share price for two consecutive fiscal years (4) Performance-linked stock remuneration (Variable(Medium- to Long-term)) number of shares delivered as remuneration is determined based on consolidated net profit and in relation to the position points for the Director * Outside Directors paid monthly remuneration only
Independent external auditor	Deloitte Touche Tohmatsu LLC

Meetings of Management Bodies in FYE 2023-2025

Financial Year			Board Meetings	Governance, Nomination and Remuneration Committee	Women's Advancement Committee	Audit & Supervisory Board Meeting
FYE2005	Number of Meetings		13	5	2	13
	Attendance Rate	Outside Directors	100%	100%	100%	—
		Outside Audit & Supervisory Board Members	100%	100% (Observer)	75%	100%

Financial Year			Board Meetings	Nomination Committee	Governance and Remuneration Committee	Women's Advancement Committee	Audit & Supervisory Board Meeting
FYE 2024	Number of Meetings		17	3	2	2	14
	Attendance Rate	Outside Directors	100%	100%	100%	100%	—
		Outside Audit & Supervisory Board Members	100%	100% (Observer)	100%	100%	100%
FYE 2023	Number of Meetings		15	3	2	2	14
	Attendance Rate	Outside Directors	98%	100%	100%	100%	—
		Outside Audit & Supervisory Board Members	100%	100%	100%	100%	100%

* "Number of Meetings" does not include meetings by paper circulations.

Corporate Governance

Members of the Board

◎Chair ○Member

Name	Current position and responsibility in ITOCHU Corporation	Number of Attendance at Meetings of the Board of Directors	Number of years in office	Governance, Nomination and Remuneration Committee	Women's Advancement Committee
Masahiro Okafuji Reelection	Member of the Board, Chairman & Chief Executive Officer	13/13 (100%)	21 years	○	—
Keita vIshii Reelection	Member of the Board, President & Chief Operating Officer; Chief Strategy Officer	13/13 (100%)	4 years	○	—
Fumihiko Kobayashi Reelection	Member of the Board, Executive Vice President Chief Administrative Officer	13/13 (100%)	10 years	○	○
Tsuyoshi Hachimura Reelection	Member of the Board, Executive Vice President Chief Financial Officer	13/13 (100%)	10 years	—	—
Hiroyuki Tsubai Reelection	Member of the Board, Executive Vice President President, Machinery Company; Deputy Chief Operating Officer	13/13 (100%)	3 years	—	—
Hiroyuki Naka Reelection	Member of the Board, Executive Officer Chief Transformation Officer; General Manager, Group CEO Office	13/13 (100%)	3 years	—	—
Masatoshi Kawana Reelection Outside Independent	Member of the Board	13/13 (100%)	7 years	◎	—
Makiko Nakamori Reelection Outside Independent	Member of the Board	13/13 (100%)	6 years	○	◎
Kunio Ishizuka Reelection Outside Independent	Member of the Board	13/13 (100%)	4 years	○	—
Akiko Ito Reelection Outside Independent	Member of the Board	13/13 (100%)	2 years	○	○

Internal Directors*1	Outside Directors	Ratio of Female Directors and Audit & Female Supervisory Board Members on Board of Directors*2	Ratio of Outside Directors and Outside Audit & Supervisory Board Members on Board of Directors*2
6	4	27%	47%
CEO COO CAO CFO P CXO	Males Females	(4 members)	(7 members)

*1 COO: Chief Operating Officer; Chief Strategy Officer
*2 The composition of the above Board of Directors includes Directors and Audit & Supervisory Board Members.

Policy and Process for Appointing Candidates for Directors

In order to effectively supervise management and decide important business matters as the Board of Directors of a general trading company with broad range of business, ITOCHU's Board of Directors consists of, in principle, the Chairman & CEO, President & COO, officers responsible for overseeing each administrative functions, one appropriate Division Company president as an (internal) director, and several Outside Directors so that the percentage of Outside Directors in the Board of Directors is one-third or more to improve the supervisory function of the Board of Directors. When nominating Outside Director candidates, ITOCHU prioritizes candidates with higher independence, based on the criteria for "independent directors" prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members," who with his or her experience and knowledge in the relevant category, are expected to contribute to the management of ITOCHU. The proposal for candidates for directors is created by the Chairman & CEO by taking into consideration diversity such as knowledge, experience, gender and internationality (race, ethnicity, nationality, etc.), and submitted to the Governance, Nomination and Remuneration Committee for further deliberation before the Board of Directors finally nominates the candidates for election at the General Meeting of Shareholders.

■ Reason for Appointment as Outside Directors

Name	Reason for appointment
Masatoshi Kawana appointed in June 2018 [Attendance at Meetings of the Board of Directors] FYE 2025 : 13/13 (100%)	Mr. Kawana is appointed as an Outside Director in the anticipation that, based on his experience as a doctor at Tokyo Women's Medical University Hospital for many years and in important posts such as the Deputy Director of the same hospital as well as his high level of medical knowledge, he will monitor and supervise the corporate management of ITOCHU from an independent perspective. According to the criteria for the independence of directors / auditors prescribed by the Tokyo Stock Exchange, as well as our own independence criteria, Mr. Kawana qualifies as an independent Director. Accordingly, ITOCHU believes that he is unlikely to have conflicts of interest with general investors, and he has been designated as an independent Director.
Makiko Nakamori appointed in June 2019 [Attendance at Meetings of the Board of Directors] FYE 2025 : 13/13 (100%)	Ms. Nakamori is appointed as an Outside Director in the anticipation that, based on her high level expertise regarding finance and accounting as a certified public accountant as well as her extensive experience as a corporate executive, she will monitor and supervise the corporate management of ITOCHU from an independent perspective. According to the criteria for the independence of directors / auditors prescribed by the Tokyo Stock Exchange, as well as our own independence criteria, Ms. Nakamori qualifies as an independent Director. Accordingly, ITOCHU believes that she is unlikely to have conflicts of interest with general investors, and she has been designated as an independent Director.
Kunio Ishizuka appointed in June 2021 [Attendance at Meetings of the Board of Directors] FYE 2025 : 13/13 (100%)	Mr. Ishizuka is appointed as an Outside Director in the anticipation that, by utilizing his 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 will monitor and supervise the corporate management of ITOCHU from an independent perspective. According to the criteria for the independence of directors / auditors prescribed by the Tokyo Stock Exchange, as well as our own independence criteria, Mr. Ishizuka qualifies as an independent Director. Accordingly, ITOCHU believes that he is unlikely to have conflicts of interest with general investors, and he has been designated as an independent Director.
Akiko Ito* appointed in June 2023 [Attendance at Meetings of the Board of Directors] FYE 2025 : 13/13 (100%) (After appointment)	Ms. Ito is appointed as an Outside Director in the anticipation that, based on her extensive and profound insights as a government official in charge of consumer-oriented issues, which were earned from her experience such as the Deputy Director-General of the Ministry of Land, Infrastructure, Transport and Tourism, the first female director in the Ministry of Land, Infrastructure, Transport and Tourism (the Director-General of the Housing Bureau), and as Councillor, Cabinet Secretariat, Director General, Secretariat of the Headquarters for Overcoming Population Decline and Vitalizing Local Economy in Japan, followed by her service as Commissioner of Consumer Affairs Agency, she will monitor and supervise the corporate management of ITOCHU from an independent perspective. According to the criteria for the independence of directors / auditors prescribed by the Tokyo Stock Exchange, as well as our own independence criteria, Ms. Ito qualifies as an independent Director. Accordingly, ITOCHU believes that she is unlikely to have conflicts of interest with general investors, and she has been designated as an independent Director. * Registered name: Akiko Noda

Corporate Governance

Outline of Limitation of Liability Contracts

Pursuant to Article 427, Paragraph 1, of the Companies Act, ITOCHU has entered into limitation of liability contracts with respect to liability as set forth in Article 423, Paragraph 1, of the Companies Act with Outside Directors and outside Audit & Supervisory Board Members. Under these contracts, their liabilities are limited to the lowest amount of liability pursuant to Article 425, Paragraph 1, of the Companies Act if and so long as they have acted in good faith and without gross negligence in performing their duties.

Outline of Directors and Officers Liability Insurance Policy

ITOCHU has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The policy covers the losses, such as damages payable and litigation costs in damage suits, incurred by all of ITOCHU's directors and Audit & Supervisory Board Members, etc. who are the insureds. However, the scope of compensation does not cover the damages and litigation costs of a director or officer involved in an intentional illegal act or criminal act such as bribery, to ensure that the appropriateness of the performance of director or officer duties is not lost. The full amount of the insurance premiums is borne by ITOCHU.

Outline of the Indemnity Contract with Directors and Audit & Supervisory Board members

ITOCHU has entered into the indemnity contracts with all of Directors and Audit & Supervisory Board Members in accordance with Paragraph 1 of Section 430-2 of the Companies Act, pursuant to which ITOCHU indemnifies the costs under the sub-paragraph 1, paragraph 1 of Section 430-2 of the Companies Act and the losses under the sub-paragraph 2, paragraph 1 of Section 430-2 of the Companies Act, incurred by them within the limit under the law. ITOCHU will not indemnify such costs or losses incurred by them in relation to their acts performed with the knowledge of illegality or to provide undue profit for third parties or to cause damages to ITOCHU.

Consideration of the Succession Plan

ITOCHU positions succession plans as a material management issue in an effort to enhance management sustainability and medium to long term corporate value. As the CEO leading ITOCHU, a general trading company, it is assumed that the most important skill is to have "business capabilities as a Merchant" and business sense, and to be able to practice Sampo-yoshi. Based on this, we have established the CEO selection process and a policy on training CEO candidates. CEO Selection Process is as follows:

1. Proposals by the Chairman & CEO: The Chairman & CEO recommends candidates to the Governance, Nomination and Remuneration Committee based on input from executives because it is not only essential to have knowledge related to the businesses of the entire Company to enhance medium to long term corporate value but also to have a deep understanding of the candidates' careers, experience, character, and other factors.
2. Deliberations at the Governance, Nomination and Remuneration Committee: The Governance, Nomination and Remuneration Committee is chaired by an Outside Director and has a majority of Outside Directors. Its deliberations reflect the perspectives of outside officers who share viewpoints with general shareholders and society.
3. Deliberation at Meetings of the Board of Directors: The Governance, Nomination and Remuneration Committee reports the results of deliberations to the Board of Directors, and the CEO is decided following discussions at meetings of the Board of Directors.

Policy on Training CEO Candidates

Officers who have "business capabilities as a Merchant" are positioned within the organization to enable them to thrive and gain experience. To train multiple candidates in leadership and enable them to learn how to engage with customers, we allow them to gain daily experience in highly challenging frontline operations, regardless of whether they are stationed at headquarters or a Group company, in Japan or overseas.

In addition, in FYE 2025 ITOCHU established the position of Senior Operating Officers. ITOCHU has established a system that selects Senior Operating Officers and former ITOCHU Executive Officers who have been transferred to Group companies for appointment to key senior management positions, thereby forming a pool of management personnel in a rigorously meritocratic manner.

Corporate Officer Remuneration System

ITOCHU's remuneration plan for Directors is designed to be an incentive to grow business performance and raise ITOCHU's stock price. Variable remuneration is approximately 88% of overall remuneration (FYE 2025), which 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.

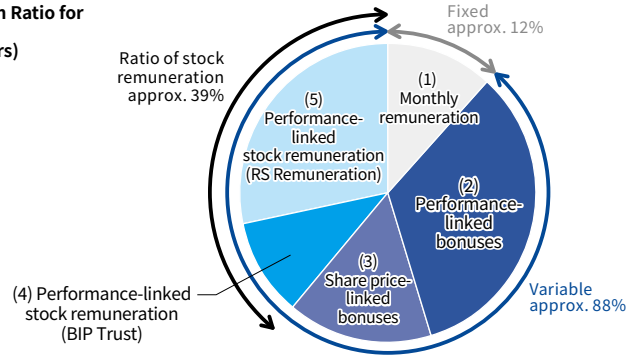
More specifically, the remuneration plan consists of (1) monthly remuneration, (2) performance-linked bonuses, (3) share price-linked bonuses, and (4) performance-linked stock remuneration, with performance-linked bonuses reflecting short-term performance and share price-linked bonuses and performance-linked stock remuneration reflecting the increase of corporate value in the medium to long term.

We have consolidated net profit as the linked indicator for the performance-linked bonus and performance-linked stock remuneration, which is a non-monetary remuneration. Consolidated net profit is of high interest on the stock market because it is an easy-to-understand indicator of capital for growth-oriented investment and returns to shareholders, and we believe that its importance as an indicator going forward is unshakeable. In addition, employee bonuses are also linked to consolidated net profit.

To align with our shareholders and create greater awareness of increasing corporate value, we have introduced share price-linked bonuses with ITOCHU's share price as the linked indicator. This bonus is an index linked to the increase in the average daily value of ITOCHU's stock price for each consecutive two fiscal years. To ensure fairness, the calculation scheme includes the relative evaluation between the growth rate of the average value of the ITOCHU's stock price and the growth rate of the average value of the Tokyo Stock Price Index (TOPIX) for each successive two fiscal years.

	Type of remuneration	Content	Remuneration limit	Resolution of General Meeting of Shareholders
Directors	(1) Monthly remuneration (Fixed)	Determined according to factors that include degree of contribution to ITOCHU, including addressing climate change, ESG and SDGs, based on a standard amount for each position (In determining the Monthly Remuneration to be paid from July 2026 onwards, the performance evaluation for FYE2026 will be conducted by assessing the creation of business opportunities and risk-management measures, with these evaluations incorporating climate change and ESG and SDGs considerations.)	¥1.1 billion per year as total monthly remuneration (including ¥0.2 billion per year as a portion to the Outside Directors)	June 20, 2025
	(2) Performance-linked bonuses (Variable(Single Year))	Total amount is determined based on consolidated net profit, and individual amount is determined in relation to the position points for the Director, etc. * Formula is described below	¥5.0 billion per year as total bonuses paid to all directors (excluding Outside Directors)	
	(3) Share price-linked bonuses (Variable (Medium- to Long-term))	Calculated by adding the evaluation of the relative growth rate of ITOCHU's share price compared to Tokyo Stock Price Index (TOPIX) to the amount of increase of ITOCHU's share price for two consecutive fiscal years *Formula is described below		
	(4) Performance-linked stock remuneration (BIP Trust) (Variable (Medium- to Long-term))	Number of shares delivered as remuneration is determined based on net profit (consolidated), and in relation to the position points for the Director * Formula is described below	The following is the limit for a two-year period for Directors, Executive Officers and Senior Operating Officers ● Upper limit for contribution to trust from ITOCHU: ¥8 billion ● Total points awarded to persons eligible for the plan: 0.9 million points (conversion at 1 point = 1 share) * Not paid to Outside Directors	June 20, 2025
	(5) Performance-linked stock remuneration (RS Remuneration) (Variable (Medium- to Long-term))		Total amount of ITOCHU's shares as well as monetary claims as property contributed in kind for the acquisition of ITOCHU's shares: ¥3.0 billion per year Total number of ITOCHU's shares to be issued or disposed of to the eligible persons: 300,000 shares per year * Not paid to Outside Directors	
Audit & Supervisory Board Members	Only monthly remuneration		¥400million per year	June 20, 2025

■ **Remuneration Composition Ratio for Directors (excluding Outside Directors) (FYE 2025)**



Corporate Governance

Formula for Calculating Directors'Bonuses and Stock Remuneration

In accordance with confirmed results for FYE 2026, director bonuses for FYE 2025 will be paid following the conclusion of the 102nd Ordinary General Meeting of Shareholders in amounts calculated according to the methods described below (in regard to BIP Trust, points will be awarded, and as to RS Remuneration, monetary claims as property contributed in kind for the acquisition of ITOCHU's shares will be awarded).

Formulas for Performance-linked Bonuses for Directors

Total Amount Paid to all Directors

Total amount paid to all Directors = Consolidated net profit attributable to ITOCHU for FYE 2026 x 0.35%*1 x Sum of Position points for all the eligible Directors / 55

Amount Paid to an Individual Director

Amount paid to an individual Director = (Total amount paid to all Directors as above x Position Point / Sum of Position points for all the eligible Directors) x ((the Rate A*2, 5 determined based on plan achievement rate of the consolidated net profit of the assigned division/department) x 50%

+ (the Rate B*3, 5 determined based on the rate determined by comparing the net profit of the assigned division/department in the fiscal year to that of previous fiscal year) x 20%

+ (the Rate C*4, 5 determined based on the rate determined by comparing the net profit of the assigned division/department in the fiscal year and that in the fiscal year prior to the fiscal year when he/she assumed the position) x 30%).

Total amount paid to all directors × Assigned position points / Sum of position points for all the eligible directors

Chairman and Chief Executive Officer	President and Chief Operating Officer	Executive Vice President	Senior Managing Executive Officer	Managing Executive Officer	Executive Officer
10	7.5	5	4	3	2.2

*1 For the calculation of the Total amount paid to Directors for which performance evaluation regarding the organization they are in charge of can be carried out, the aforementioned "0.35%" shall be adjusted to "0.48%".
*2 The Rate A: 100% + (the plan achievement rate of the consolidated net profit target for the assigned division/department -100%) x 2 (if negative, it will be 0%. Maximum will be 200%.).
*3 The Rate B: 100% + (the consolidated net profit in FYE 2026 for the assigned division / department / the consolidated net profit in FYE 2025 for the assigned division/department -100%) x 2 (if negative, it will be 0%. Maximum will be 200%.).
*4 The Rate C: (the consolidated net profit in FYE2026 of the assigned division/department – the consolidated net profit of the assigned division/department in the fiscal year prior to the fiscal year when he/she assumed the position) / (the consolidated net profit of the assigned division/department in the fiscal year prior to the fiscal year when he/she assumed the position x 10%) (if negative, it will be 0%. Maximum will be 200%.).
However, for Directors who have already assumed a position in the assigned division/department as of the date of the system revision on June 13, 2023, the consolidated net profit in the fiscal year prior to the fiscal year when he/she assumed the position for the year before assuming the position shall be replaced with the consolidated net profit of the assigned division/department for FYE 2024.
*5 The assigned division of the Director whose bonuses are determined utilizing the Rate A, the Rate B and the Rate C is the Machinery Company, while with its planned target for the FYE 2026 consolidated net profit set at ¥150.0 billion (announced at May 2, 2025). The Rate A, the Rate B and the Rate C shall be 100% for the eligible Director (not being the Division Company President) for whom no plan achievement rate is measurable.

Formulas for Share price-linked Bonuses

This share price-linked bonus is an index linked to the increase in the average daily value of ITOCHU's stock price for two consecutive fiscal years. To ensure fairness, the calculation scheme includes the relative evaluation between the growth rate of the average value of the ITOCHU's stock price and the growth rate of the average value of the Tokyo Stock Price Index (TOPIX) for each successive two fiscal years, and when the Director retires or, in the case of taking on the position of Executive Officer after retirement of the Director, the Executive Officer retires, such amount will be paid.

Amount Paid to an Individual Director

Amount paid to an individual Director for FYE 2026: Larger amount of either I or II below:

I. [(The simple average of daily stock closing price of ITOCHU ("Average of Daily Closing Price") in FYE 2026) – (Average of Daily Closing Price from FYE 2024 to FYE 2025)] x 1,300,000 x aggregated Position Point during FYE 2026 according to the position / 108.8 points x Relative Stock Price Growth Rate *1 x 1/2.
II. Average of Daily Closing Price from FYE 2024 to FYE 2025 x (Relative Stock Price Growth Rate*1 – 100%) x 1,300,000 x aggregated Position Point during FYE 2026 according to the position / 108.8 points x 1/2.2.

*1 Relative Stock Price Growth Rate = (Average of Daily Closing Price in FYE 2026 / Average of Daily Closing Price from FYE 2024 to FYE 2025) / (Simple average of daily TOPIX in FYE 2026 / Simple average of daily TOPIX from FYE 2024 to FYE 2025)

The share price-linked bonuses together with performance-linked bonuses are paid to the eligible Directors within the Director bonuses limit of ¥5.0 billion. (If the amount of performance-linked bonus and share price-linked bonus based on the above formula exceeds ¥5.0 billion, the performance-linked bonus is preferentially allocated to the limit amount)

Corporate Governance

Formulas for Performance-linked Stock Remuneration Plan (BIP Trust)

Under the BIP Trust, in June of ever year during the trust period, Directors who served as Directors from July 1 of the previous year to the last day of June of the said year (excluding Outside Directors) are granted "Performance Points" based on performance in the fiscal year that ended on March 31 of said year and in accordance with the number of months of service during that period. In addition, "Dividend Points" corresponding to the dividend amount at the time of each dividend record date of the year-end or interim dividend of each year ("Record Date") are granted to the individuals who are at the office as a Director, etc. up until the Record Date.

The method of calculating the number of "Stock Allocation Points" granted to Directors (excluding Outside Directors) in FYE 2026 is described below. One point corresponds to one share in ITOCHU, and amounts of less than one point are discarded.

Stock Allocation Points = Performance Points + Dividend Points

Performance Points = Base points for each position*1 x Point calculation rate based on performance*2 x (Number of months of service from July, the beginning month of the applicable period of payment, to June of the following year (rounding up fractions of less than one month / 12) (rounding down fractions)

Dividend Points = Accumulated Stock Allocation Points on the Record Date*3 x Dividend per share / Reference share price

*1 Base points assigned to each position as the Director are as per below:

Chairman and Chief Executive Officer	President and Chief Operating Officer	Executive Vice President	Senior Managing Executive Officer	Managing Executive Officer	Executive Officer
31,900	23,900	16,000	12,800	9,600	7,000

*2 Point calculation rate based on performance (A + B + C as defined below)

A = (In case Amount of net profit (consolidated) exceeds ¥300.0 billion, amount of which up until ¥800.0 billion subtracted by ¥300.0 billion) / ¥10.0 billion x 2%
B = (In case Amount of net profit (consolidated) exceeds ¥800.0 billion, amount of which up until ¥1,000.0 billion subtracted by ¥800.0 billion) /¥10.0 billion x 2% x 2
C = (In case Amount of net profit (consolidated) exceeds ¥1,000.0 billion, amount of which subtracted by ¥1,000.0 billion) / ¥10.0 billion x 2% x 3

* For Directors. for which performance evaluation regarding the organization they are in charge of can be carried out, the [2%] in A, B, and C, above, shall each be [1%].

*3 Accumulated Stock Allocation Points = Accumulated Performance Points + Dividend Points
*4 Reference share price = Average share price of the one month before the month in which the dividend payment date falls.

Formulas for Performance-linked Stock Remuneration Plan (RS Remuneration)

At the 2025 Annual General Meeting of Shareholders, ITOCHU introduced the RS Remuneration Plan for its Directors (except for Outside Directors and non-residents of Japan, hereinafter referred to as "RS Eligible Directors").

Under the RS Remuneration Plan, remuneration is to be provided based on the level of the consolidated net profit attributable to ITOCHU for each fiscal year and is paid in the form of either (1) ITOCHU's shares or (2) monetary claims as property contributed in kind for the acquisition of ITOCHU's shares, and the RS Eligible Directors shall receive issuance or disposal of the ITOCHU's shares pursuant to resolution of ITOCHU's Board of Directors. The number of ITOCHU's shares to be granted to RS Eligible Directors as RS Remuneration Plan for FYE2026 (the "RS Grant Number") is determined as follows:

RS Grant Number = consolidated net profit attributable to ITOCHU for FYE 2026 / ¥100 million x RS Calculation Coefficient*1 x (number of months of service from July, the beginning month of the applicable period of payment, to June of the following year (rounding up fractions of less than one month) / 12

*1 Base points assigned to each position as the Director are as per below:

Chairman and Chief Executive Officer	President and Chief Operating Officer	Executive Vice President	Senior Managing Executive Officer	Managing Executive Officer	Executive Officer
10.0	4.5	3.5	1.5	0.8	0.35

The grant of ITOCHU's shares or monetary claims as property contributed in kind under the RS Remuneration Plan shall be subject to the execution of a restricted stock allotment agreement between ITOCHU and RS Eligible Directors, the contents of which shall include, among others, that (1) transfer to a third party, creation of a security interest, or any other disposition of the shares for a certain period of time is prohibited, and (2) in the event that certain circumstances arise, ITOCHU shall acquire the shares without compensation.

Corporate Governance

Actual Corporate Officer Remuneration for FYE 2024 and FYE2025

	FYE 2024			FYE 2025		
	Number of people	Amount paid (Millions of Yen)	Details	Number of people	Amount paid (Millions of Yen)	Details
Directors (Outside Directors)	11 (5)	3,661 (81)	(1) ¥714 million (2) ¥1,966million (3) ¥512million (4) ¥469 million	11 (4)	5,647 (81)	(1) ¥739 million (2) ¥1,878 million (3) ¥871 million (4) ¥598 million (5) ¥1,561 million
Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members)	7 (5)	160 (61)	Only (1)	5 (3)	189 (60)	Only (1)
Total (Outside Officers)	18 (10)	3,821 (142)		16 (7)	5,836 (141)	

* (1) Monthly Remuneration, (2) Performance-linked bonuses, (3) Share price-linked bonuses, (4) Stock Remuneration (BIP Trust), (5) Stock Remuneration (RS Remuneration)
* 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.

Name, position, and amount of compensation paid to Directors receiving compensation of ¥100 million or more during FYE 2025, are as follows.

Name	Category	Total Annual Monthly Remuneration	Performance-linked bonuses	Share price-linked bonuses	Stock Remuneration (BIP Trust)	Stock Remuneration (RS)	Total
Masahiro Okafuji*	Director	¥179 million	¥560 million	¥301 million	¥177 million	¥607 million	¥1,824 million
Keita Ishii*	Director	¥111 million	¥336 million	¥158 million	¥132 million	¥273 million	¥1,011 million
Fumihiko Kobayashi	Director	¥95 million	¥224 million	¥106 million	¥89 million	¥213 million	¥726 million
Tsuyoshi Hachimura	Director	¥89 million	¥224 million	¥106 million	¥89 million	¥213 million	¥719 million
Hiroyuki Tsubai	Director	¥85 million	¥347 million	¥94 million	¥44 million	¥213 million	¥783 million
Kenji Seto	Director	¥38 million	¥85 million	¥57 million	¥29 million	¥21 million	¥231 million
Hiroyuki Naka*	Director	¥61 million	¥101 million	¥48 million	¥39 million	¥21 million	¥270 million

* Monthly remuneration includes housing allowance.

(Rounded to nearest million yen)

The remuneration paid to Directors (excluding Outside Directors) in FYE 2025 comprised monthly remuneration, performance-linked bonuses, share price-linked bonuses, and performance-linked stock remuneration (non-monetary compensation) for Directors (Board Incentive Plan Trust / Restricted Stock). Monthly remuneration is decided based on the standard amount by position and the level of contribution to ITOCHU, including its response to climate change, ESG, and the SDGs. The total amount of performance-linked bonuses is determined on the basis of consolidated net profit attributable to ITOCHU, and the amount of the share price-linked bonuses is determined by adding the evaluation of the relative growth rate of ITOCHU's share price compared to Tokyo Stock Price Index (TOPIX) to the amount of increase of ITOCHU's share price. An overview of the system of performance-linked stock remuneration for Directors is described below in "Disclosed Details of Policy for Determining Amount and Calculation Method of Compensation" below. In the above, the amount for the BIP Trust indicates the expense recorded for the points granted to seven (7) Directors (excluding Outside Directors) under the BIP Trust Plan in FYE 2025, and the amount for RS Remuneration Plan indicates the expense recorded in FYE 2025 as the anticipated amount of restricted stock remuneration to be provided to Directors (excluding Outside Directors) under the RS Remuneration Plan in 2025.

The remuneration for Executive Officers who do not concurrently hold director positions is provided based on a system designed according to the position based on the remuneration plan for the Directors. Name and amount of compensation paid to Executive Officers (excluding those who concurrently hold director positions) whose total compensation exceeded ¥100 million in FYE 2025, are as follows:

Name	Total Annual Monthly Remuneration	Performance-linked bonuses	Share price-linked bonuses	Stock Remuneration (BIP Trust)	Stock Remuneration (RS)	Total
Shunsuke Noda	¥54 million	¥230 million	¥45 million	¥35 million	¥91 million	¥456 million
Mitsuru Chino*	¥44 million	¥46 million	—	¥17 million	¥49 million	¥155 million
Masaya Tanaka	¥39 million	¥90 million	¥42 million	¥19 million	¥21 million	¥211 million
Masatoshi Maki	¥39 million	¥90 million	¥42 million	¥19 million	¥21 million	¥211 million
Tatsuo Odani	¥37 million	¥112 million	¥42 million	¥19 million	¥21 million	¥230 million
Hideto Takeuchi	¥36 million	¥77 million	¥42 million	¥19 million	¥21 million	¥195 million
Shuichi Miyamoto	¥38 million	¥220 million	¥42 million	¥19 million	¥21 million	¥341 million
Jun Inomata	¥36 million	¥91 million	¥25 million	¥19 million	¥21 million	¥192 million
Hiroyuki Nakamura	¥36 million	¥40 million	—	¥3 million	¥21 million	¥100 million
Go Mimura	¥36 million	¥51 million	—	¥3 million	¥21 million	¥111 million

* Registered name: Mitsuru Ike

(Rounded to nearest million yen)

Corporate Governance

Evaluation as to the Effectiveness of the Board of Directors

ITOCHU has conducted an evaluation as to the effectiveness of the Board of Directors and Audit & Supervisory Board Members once a year since FYE 2016 utilizing external consultants, and the Board of Directors has analyzed and evaluated the findings after deliberation by the Governance, Nomination and Remuneration Committee (excluding FYE 2017).

Procedure for the Board Evaluation

Respondents	All of eleven (11) Members of the Board and five (5) Audit & Supervisory Board Members in FYE 2025
Implementation and Evaluation method	**1.** Conducted a questionnaire to and individual interview with each of respondents by the external consultant (Answered on anonymous basis) **2.** Implemented an information compilation and analysis by the external consultant based on the answers from the respondents **3.** In reference to the information compilation and analysis, conducted an examination at the Governance, Nomination and Remuneration Committee **4.** 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 the 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.** Other important topics

Overview of the results of the evaluation

As a result of deliberations at the Governance, Nomination 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.

With respect to the quantitative aspect, the scores that have been continuously improved in the past has been further improved and the Board of Directors was confirmed to be performing at a high level in six themes for the evaluation. In particular, the attributes of the Chairman of the Board, effectiveness of advisory committees, and the provision of appropriateness of the proceedings of the Board of Directors have been further building on the high evaluation from the previous year. Our efforts to enhance the effectiveness of the Board's deliberations have also been recognized in the evaluation. With respect to the qualitative aspect, we received many positive opinions as well as the implications for further improvement. As priority issues to be addressed in the medium- to long-term, primarily "Group governance" and "governance strengthening measures for sustainable growth of the Group" were highlighted.

In the previous evaluation, as new issues, we recognized the need for further efforts in "supervising the implementation status of diversity strengthening measures" and "supervising governance strengthening measures for sustainable growth of the Group" in the Board of Directors. As to these issues, the improvement and progress were confirmed as follows:

Issues	Progress in FYE 2025
Supervising the implementation status of diversity strengthening measures	● For the newly appointed female Executive Officers to fully demonstrate their capabilities and achieve further growth, in addition to support from management, we are carrying out meticulous monitoring through meetings and other opportunities with members of the Women's Advancement Committee. ● Continuing from last fiscal year, we have newly appointed five female Executive Officers, including the promotion of younger employees. Thereby steadily increasing the proportion of female Executives Officers among all Executive Officers and clearly conveying our strong message on the continuous promotion of women. ● In addition to appointing female Executive Officers, we are implementing various and unique measures to promote the advancement of women, such as reforming the clerical staff system to foster a change in mindset and enhance expertise, as well as consolidating the women's dormitories to cultivate a sense of unity among young female employees.
Supervising governance strengthening measures for sustainable growth of the Group	● Based on the new Management Policy, we formulated a management plan that promotes "growth investments" with the maximum amount of 1 trillion yen. In the TOBs for publicly listed subsidiaries and affiliates, the board conducted discussions and made decisions that balanced minority shareholder protection in order to support growth investments that contribute to sustainable growth of the Company. Furthermore, with regard to the investment in WECARS, an on-site visit was carried out by Outside Directors after the investment execution. Additionally, it has been confirmed that multiple Division Companies are collaborating aiming at business restructuring and growth. ● Outside Directors have been meeting with Division Company Presidents, Officers in charge of overseeing head office functions, and the key management of our Group companies to deepen their understanding of the candidate pool for future key positions of ITOCHU's important senior management.

As mentioned above, we have been formulating and implementing specific measures to address past issues. As a result of this Board Evaluation, we have recognized that the two issues identified in FYE 2024 evaluation remain critical priorities which we should continue to address intensively and consistently. As the formulated measures have been implemented and have reached to the stage of further evolution with regard to the "Supervising the implementation status of diversity strengthening measures" among two issues in FYE 2024, we have concluded that the Board of Directors should further engage in: (1) supervising the institutionalization status of diversity strengthening measures and engaging in discussions toward further evolution, and (2) supervising governance strengthening measures for sustainable growth of the Group. We will continue to utilize opportunities such as discussions in advisory committees and off-site meetings to effectively exercise our supervisory function as the Board of Directors regarding these issues.

We will make active efforts to maintain the effectiveness of the Board of Directors and further improve its functions in light of the result of this Board Evaluation.

Corporate Governance

Training Policy

The Company conducts training related to regulations with respect to Directors and Audit & Supervisory Member, corporate governance and other matters as part of its training for newly appointed internal and Outside Officers. The Company also provides Directors and Audit & Supervisory Board Members with opportunities for training at third-party institutions, with the Company bearing the costs of such training. Also, to ensure that management supervision by Directors and audit by Audit & Supervisory Board Members are adequately performed, before each meeting we provide to Outside Officers prior explanations on matters presented to each meeting of the Board of Directors through respective offices of the Board of Directors and the Audit & Supervisory Board. In addition, ITOCHU strives to ensure that Outside Officers appropriately understand its business environment and challenges through various occasions such as introductory session concerning ITOCHU's business upon election, visits to business premises in or outside Japan, meetings among Outside Officers, reporting activities by internal auditing units to Outside Directors, periodical discussions with the managements and explanatory sessions on matters requested by Outside Officers.

Advisory Committee

While to strengthen the supervisory function of the Board of Directors and enhance the transparency of the decision-making process, in FYE 2023, we maintained the Governance and Remuneration Committee, the Nomination Committee, and the Women's Advancement Committee as voluntary advisory committees under the Board of Directors, as of June 23, 2023, we reorganized the Governance and Remuneration Committee and the Nomination Committee into a new Governance, Nomination, and Remuneration Committee, with Outside Director as chairpersons and a majority of members as Outside Directors. Combining these committees and their members will unify discussions for nominations and remuneration, which are connected in many ways, with governance, which provides the overall framework for nominations and remuneration. This combination aims to facilitate more thorough discussions by committee members. Furthermore, we continue to maintain the Women's Advancement Committee, as the chairperson is an Outside Director and majority of the members are Outside Officers.

The roles and composition of the committees as of June 20, 2025 and the activities of the committees during FYE 2025 are as shown on the right.

■ **Voluntary Advisory Committees under the Board of Directors**

Name	Roles	Composition	Activities
Governance, Nomination and Remuneration Committee	To deliberate and advise the Board on proposals relating to nomination and dismissal of Executive Officers, nomination and dismissal of Senior Operating Officers, nomination of candidates for Directors and Audit & Supervisory Board Members, dismissal of Directors and Audit & Supervisory Board Members, appointment and dismissal of responsible Directors and Executive Officers, consideration of the succession plan, remuneration system for Directors and Executive Officers and other matters on corporate governance.	Chair Masatoshi Kawana, Director (Outside) Members Masahiro Okafuji, Director Keita Ishii, Director Fumihiko Kobayashi, Director Makiko Nakamori, Director (Outside) Kunio Ishizuka, Director (Outside) Akiko Ito, Director (Outside) *Kentaro Uryu, Audit & Supervisory Board Member (Outside), attends as an observer.	This committee was held for five (5) times in FYE 2025 with the participation of all members, who are required to be present, for all meetings. The main agenda items discussed at the Governance, Nomination and Remuneration Committee were as follows: ● Evaluation of the Board of Directors for FYE 2024 (April 3, 2024) Approval to propose for the Board of Directors with respect to reporting on the results of the evaluation of the Board of Directors for FYE 2024 and seeking approval of external disclosure materials. ● Skill matrix for FYE 2025 (April 3, 2024) Approval of skill matrix for FYE 2025 and the addition of the description specifying "areas in which they are expected to make a particular contribution" to the skills of internal Directors. ● Executive compensation system (April 3, 2024) Approval to propose for the Board of Directors with respect to the introduction of a new performance-based stock compensation scheme (BIP Trust), along with the method for calculating performance-based bonuses for Directors in FYE 2025 and the establishment of the individual maximum amount for such bonuses. ● Executive Evaluations (May 13, 2024) Performance review of individual executives for FYE 2024. ● Succession Plan (September 30, 2024) Discussion on the succession plan for the executives. ● Revision to the Executive System (January 15, 2025) Approval of the revisions to the Executive System. ● Officer appointments for FYE 2026 (January 15, 2025) Approval to propose for the Board of Directors with respect to seeking approval of the officer appointments for FYE 2026. ● Executive Compensation System (February 28, 2025) Approval to submit to the Board of Directors covering the following: 1. Changes to the performance-based bonus system; 2. Revisions to the performance-based stock compensation scheme (BIP Trust); 3. Updates and modifications to the stock price-linked bonus; 4. Revisions to executive rank points and allowances; 5. Introduction of a new restricted stock compensation system (RS); 6. Changes to the compensation levels for the Outside Directors and increases in the compensation caps for the Outside Directors and the Audit & Supervisory Board Members; and 7. Submits any necessary matters for above items to the Ordinary General Meeting of Shareholders scheduled for June 2025.
Women's Advancement Committee	To deliberate and advise the Board on proposals relating to policies, strategies, and promotion measures to promote the empowerment of female employees.	Chair Makiko Nakamori, Director (Outside) Members Fumihiko Kobayashi, Director Akiko Ito, Director (Outside) Yoshiko Matoba, Audit & Supervisory Board Member Tsutomu Fujita, Audit & Supervisory Board Member (Outside) Kumi Kobayashi, Audit & Supervisory Board Member (Outside) Toshiyuki Kakimi, General Manager, Human Resources & General Affairs Division	This committee was held for 2 times in FYE 2025 with the participant of all members for one meeting, and of five members for the other meeting. The main agenda items discussed at the Women's Advancement Committee were as follows: ● Challenges and strategic initiatives for Women's Advancement (October 8, 2024) Discussion on the issues and corresponding measures related to human capital disclosure as well as a revision of the clerical staff system. ● Progress and future strategy for Women's Advancement (February 25, 2025) Discussion on specific measures to address existing challenges, based on the current status of women empowerment efforts.

Corporate Governance

The Main Internal Committees

- The HMC (Headquarters Management Committee) and various internal committees have been established for the purpose of contributing to appropriate and flexible decision making on management issues by the President and Chief Operating Officer and the Board of Directors. HMC is, in principle, chaired by the President, and in principle consists of the Chairman, the President, and Executive Officers appointed by the President. The HMC is a supporting committee to the President and Chief Operating Officer where companywide management policy and important issues are discussed.
- Various internal committees carefully screen and discuss management issues in their respective fields. Several of the internal committees including the Internal Control Committee work to support the decision making by the President and Chief Operating Officer and the Board of Directors by incorporating external opinions with measures such as designating outside key figures. The roles of the main internal committees as of June 20, 2025 are as follows.

Name	Objectives
Internal Control Committee (Chairman: CAO)	Deliberates on issues related to the development of internal control systems
Disclosure Committee (Chairman: 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
Asset Liability Management (ALM) Committee (Chairman: CFO)	Deliberates on issues related to risk management systems and balance sheet management
Compliance Committee (Chairman: CAO)	Deliberates on issues related to compliance
Sustainability Committee (Chairman: CAO)	Promotes sustainability on issues related to SDGs and ESG efforts (including environmental and social related issues; excluding governance-related issues)
Investment Consultative Committee (Chairman: Chief Transformation Officer (CXO))	Deliberates on issues related to investment and financing
New Headquarters Project Committee (Chairman: President & COO / Chief Strategy Officer (CSO), Vice Chairman: CAO)	Deliberates on issues related to New Headquarters Project

Policy and Process for Appointing Executive Officers

Executive officers are appointed annually by the Board of Directors among, in principle, employees regarded as candidates for executives based on our HR system with high integrity and exceptional ability (or those who have already been appointed as Executive Officers) who are judged to be capable of assuming the role as the Executive Officers. Additionally, in order to reflect diverse opinions in our management, we will actively promote the appointment of women as the Executive Officers, and particularly appoint talented women who are expected to grow its competence regardless of age. For Executive Officers with managing titles, Executive Officers of important posts including Presidents of Division Companies and Officers in charge of overseeing head office functions, we will select individuals who are deemed suitable to shoulder the responsibilities that come with those positions from a wide talent pool that is constituted primarily from individuals with Executive Officer experience. Candidates for Executive Officers are first selected by the Chairman & CEO based on, among others, recommendations from other officers (or in terms of incumbent Executive Officers, based on their respective performance, and in terms of Executive Officers with managing titles or those of important posts including Presidents of Division Companies and Officers in charge of overseeing head office functions, based on their experience and performance) and submitted to the Governance, Nomination and Remuneration Committee for further deliberation. Based on the deliberation and advice of the Governance, Nomination and Remuneration Committee, the Board of Directors appoints Executive Officers by its resolution. In case that an Executive Officer breaches the Executive Officers' Regulation of ITOCHU Corporation or otherwise his or her performance is judged to be not appropriate, the Chairman & CEO (or the chair of the Governance, Nomination and Remuneration Committee) firstly makes a proposal of dismissal, and the Board of Directors dismisses such Executive Officer by its resolution based on the deliberation and advice of the Governance, Nomination and Remuneration Committee.

Corporate Governance

Audit & Supervisory Board Members

Overview

- Audit & Supervisory Board Members and the independent external auditors participate in monthly regular meetings where they exchange information in a timely manner, in addition to providing reports on quarterly reviews and internal control audits. Audit & Supervisory Board Members monitor the progress of the audit conducted by the independent external auditors and share any issues with them.
- Audit & Supervisory Board Members engage in discussions regarding the selection of Key Audit Matters based on the current year's financial performance. For the selected matters in FYE 2025, namely the assessment of FamilyMart's goodwill and the evaluation of CITIC Limited's investment, Audit & Supervisory Board Members conducted detailed discussions and raised inquiries regarding the future cash flows, discount rates, and other underlying assumptions for the assessments. These discussions involved relevant departments and the independent external auditors providing detailed explanations.
- Audit & Supervisory Board Members and the Audit & Supervisory Board endeavor to enhance cooperation with the independent external auditors, for example through active exchange of information and opinions on the status and results of each other' audit plans and audits along with other important auditing matters with the aim of improving the quality and efficiency of auditing and of enhancing corporate governance.
- The Audit Division and Audit & Supervisory Board Members endeavor to closely cooperate and exchange information by discussing internal audit plans regularly to exchange opinions on the results of each internal inspection, issues and recommendations, etc.
- The Audit Division strives to strengthen its relationships by regularly holding meetings with the independent external auditors and maintaining close collaboration. In addition, it seeks to promote cooperation through information exchange with the internal audit departments of ITOCHU Group companies.

Members of the Audit and Supervisory Boards

○Member *Observer

Name	Position in ITOCHU Corporation	Attendance at Meetings of the Board of Directors	Attendance at Meetings of the Audit & Supervisory Board	Number of years in office	Governance, Nomination and Remuneration Committee	Women's Advancement Committee
Makoto Kyoda	Full-time Audit & Supervisory Board Member	13/13 (100%)	13/13 (100%)	5 years	—	—
Yoshiko Matoba	Full-time Audit & Supervisory Board Member	13/13 (100%)	13/13 (100%)	2 years	—	○
Kentaro Uryu Outside Independent	Audit & Supervisory Board Member	13/13 (100%)	13/13 (100%)	10 years	*	—
Tsutomu Fujita Outside Independent	Audit & Supervisory Board Member	13/13 (100%)	13/13 (100%)	2 years	—	○
Kumi Kobayashi Outside Independent	Audit & Supervisory Board Member	13/13 (100%)	13/13 (100%)	2 years	—	○

*1 The number of years in office as the Audit & Supervisory Board Member is measured as of the conclusion of this Ordinary General Meeting of Shareholders.
*2 The above list shows the members of the advisory committees if Proposal No. 2 is approved at this Ordinary General Meeting of Shareholders.
*3 The registered name of Kumi Kobayashi is Kumi Nojiri.

Policy and Process for Appointing Candidates for Audit & Supervisory Board Members

In order to appropriately audit and supervise management as Audit & Supervisory Board Members of a general trading company with broad range of business, candidates for Audit & Supervisory Board Members are selected from individuals with understanding about ITOCHU's management, high-level expertise in fields including accounting, finance, law, and risk management, and a broad range of experience. As a company with an Audit & Supervisory Board, Outside Audit & Supervisory Board Members are always at least half of all members. When nominating Outside Audit & Supervisory Board Members, ITOCHU prioritizes candidates with higher independence, based on the criteria for "independent auditors" prescribed by Tokyo Stock Exchange, Inc. and ITOCHU's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members," who with his or her high-level expertise and extensive experience in the relevant category, are expected to appropriately audit and supervise the management of ITOCHU. Moreover, among the Audit & Supervisory Board Members, ITOCHU nominates at least one person who possesses considerable knowledge concerning finance and accounting. Based on this policy, a proposal on candidates for Audit & Supervisory Board Members is created by the Chairman & CEO after consultation with full-time Audit & Supervisory Board Members. The proposal is then submitted to the Governance, Nomination and Remuneration Committee (until June 22, 2023, Nomination Committee) for further deliberation and, after receiving the approval of the Audit & Supervisory Board, the Board of Directors selects the candidates for election at the General Meeting of Shareholders.

Reason for Appointment as Outside Audit & Supervisory Board Members

Name	Reason for appointment
Kentaro Uryu appointed in June 2015 [Attendance at Meetings of] - Board of Directors FYE 2025 : 13/13 (100%) - Audit & Supervisory Board FYE 2025 : 13/13 (100%)	Mr. Uryu is appointed as an outside Audit & Supervisory Board Member in the anticipation that he will monitor management and provide auditing from an independent perspective by utilizing his high level of expertise in law and extensive experience as an attorney-at-law for many years. According to the criteria for the independence of directors / auditors prescribed by the Tokyo Stock Exchange, as well as our own independence criteria, Mr. Uryu qualifies as an independent Audit & Supervisory Board Member. Accordingly, ITOCHU believes that he is unlikely to have conflicts of interest with general investors, and he has been designated as an independent Audit & Supervisory Board Member.
Tsutomu Fujita appointed in June 2023 [Attendance at Meetings of] - Board of Directors FYE 2024: 13/13 (100%) - Audit & Supervisory Board FYE 2024 : 10/10 (100%)	Mr. Fujita is appointed as an outside Audit & Supervisory Board Member in the anticipation that he will monitor management and provide auditing from an independent perspective by leveraging his extensive experience and advanced expertise gained from years of experience in the financial industry. According to the criteria for the independence of directors / auditors prescribed by the Tokyo Stock Exchange, as well as our own independence criteria, Mr. Fujita qualifies as an independent Audit & Supervisory Board Member. Accordingly, ITOCHU believes that he is unlikely to have conflicts of interest with general investors, and he has been designated as an independent auditor.
Kumi Kobayashi* appointed in June 2023 [Attendance at Meetings of] - Board of Directors FYE 2025: 13/13 (100%) - Audit & Supervisory Board FYE 2025 : 10/10 (100%)	Ms. Kobayashi is appointed as an outside Audit & Supervisory Board Member in the anticipation that she will monitor management and provide auditing from an independent perspective by utilizing her extensive professional knowledge and practical experience in financial and accounting matters, gained from her career as a certified public accountant. According to the criteria for the independence of directors / auditors prescribed by the Tokyo Stock Exchange, as well as our own independence criteria, Ms. Kobayashi qualifies as an independent Audit & Supervisory Board Member. Accordingly, ITOCHU believes that she is unlikely to have conflicts of interest with general investors, and she has been designated as an independent auditor. * Registered name: Kumi Nojiri

Corporate Governance

Major Areas of Expertise of Directors and Audit & Supervisory Board Members / Areas in which Particular Contributions are Expected

Ensuring Diversity of Officers

In FYE 2018, ITOCHU Corporation shifted to a monitoring-focused Board of Directors with the aim of promoting the separation of management execution and supervision. To ensure that the Board of Directors is able to provide appropriate management supervision, ITOCHU Corporation appoints officers in charge of overseeing head office functions as Directors, along with a number of Outside Directors so that the percentage of Outside Directors is at least one-third of all Directors. By appointing Outside Directors with more specialized viewpoints and greater diversity, we are further enhancing the functions of ITOCHU Corporation's Board of Directors. In addition, by appointing Outside Audit & Supervisory Board Members with knowledge of finance, accounting and legal affairs makes it possible to monitor and supervise ITOCHU Corporation's management from a neutral and objective viewpoint.

ITOCHU Corporation's internal and Outside Officers who were appointed in accordance with the above are engaged in management by using their knowledge, experience and high level of insight in their respective fields. As for internal Directors, this table shows areas of knowledge and experience which internal Directors have, and of these, areas in which officers are expected to make a particular contribution. As for Outside Directors and full-time Audit & Supervisory Board Members, this table shows areas in which officers are expected to make a particular contribution. In addition, the reasons for selecting these categories are explained on page 215.

Name	Role	Gender	Principal Specialized Area of Experience / Areas in Which Officers are Expected to Make a Particular Contribution									Governance, Nomination and Remuneration Committee	Women's Advancement Committee	Main Roles, Career History, Qualifications, etc.
			All Aspects of Management	Global	Marketing/Sales	Self-Trans formation/DX	SDGs/ESG	Health & Medical Care	Finance, Accounting & Risk Management	Human Resource Strategy	Internal Control & Legal Affairs/ Compliance			
Masahiro Okafuji (December, 1949)	Chairman & Chief Executive Officer Representative Director	♂	◎	○	◎	○	○	○	○	○	○	□		President, Textile Company; President & CEO, ITOCHU Corporation
Keita Ishii (October, 1960)	President & Chief Operating Officer Representative Director	♂	◎	○	◎	○	○	○	○	○	○	□		Chief Officer for Indo-China; President, Energy & Chemicals Company; Chief Strategy Officer, ITOCHU Corporation
Fumihiko Kobayashi (June, 1957)	Representative Director	♂	○	○		○	◎	○	○	◎	○	□	□	General Manager of Human Resources & General Affairs Division; Chief Administrative Officer, ITOCHU Corporation
Tsuyoshi Hachimura (July, 1957)	Representative Director	♂	○	◎	○	○	○		◎	○	○			General Manager of Finance Division; Chief Financial Officer, ITOCHU Corporation
Hiroyuki Tsubai (March, 1960)	Representative Director	♂	○	◎	◎	○	○		○	○	○			CEO for Africa Bloc; CEO for Europe Bloc; President, Machinery Company; Deputy Chief Operating Officer, ITOCHU Corporation
Hiroyuki Naka (January, 1964)	Representative Director	♂	○	○	○	◎	○		◎	○	○			General Manager of Corporate Planning & Administration Division; Chief Digital & Information Officer; Chief Strategy Officer; Chief Transformation Officer, ITOCHU Corporation
Masatoshi Kawana (November, 1953)	Outside Director	♂	●				●	●				■		Vice-president of Tokyo Women's Medical University Hospital; Doctor of Medicine
Makiko Nakamori (August, 1963)	Outside Director	♀				●			●		●	□	■	Certified Public Accountant in Japan
Kunio Ishizuka (September, 1949)	Outside Director	♂	●		●					●		□		President and CEO/Chairman, Isetan Mitsukoshi Holdings Ltd.
Akiko Ito (February, 1962)	Outside Director	♀					●	●		●		□	□	Commissioner, Consumer Affairs Agency
Makoto Kyoda (February, 1964)	Full-time Audit & Supervisory Board Member	♂					●		●		●			Chief Financial Officer, Food Company, ITOCHU Corporation
Yoshiko Matoba (November, 1963)	Full-time Audit & Supervisory Board Member	♀		●			●			●			□	General Manager of Research & Public Relations Division; General Manager of Human Resources & General Affairs Division, ITOCHU Corporation
Kentaro Uryu (January, 1965)	Outside Audit & Supervisory Board Member	♂			●				●		●	⋆		Managing Partner, URYU & ITOGA; Attorney-At-Law in Japan
Tsutomu Fujita (March, 1960)	Outside Audit & Supervisory Board Member	♂	●	●					●				□	Vice Chairman and a board member, Citigroup Global Markets Japan Inc.
Kumi Kobayashi (November, 1979)	Outside Audit & Supervisory Board Member	♀				●			●		●		□	Certified Public Accountant in Japan; Certified Public Tax Accountant in Japan

* Knowledge and experience held by internal Directors are indicated with ○, and of these, the areas in which they are expected to make a particular contribution are indicated with ◎. Areas in which full-time Audit & Supervisory Board Members, Outside Directors and outside Audit & Supervisory Board Members are expected to contribute in particular are indicated with ● as the above list shows.
* Women's Advancement Committee is comprised of the members mentioned above and General Manager of the Human Resources & General Affairs Division.

■ Chair □ Member ⋆ Observer

Corporate Governance

■ **Reasons for Selections of Areas of Knowledge and Experience / Areas in Which Officers Are Expected to Make a Particular Contribution**

Area	Reasons for Selection
All Aspects of Management	ITOCHU Corporation is a general trading company that operates in diverse business sectors. The oversight of business operations requires knowledge of this area in order to participate in discussions about business plans and strategies that may enhance corporate value based on the spirit of "*Sampo-yoshi*."
Global	Knowledge of this area based on understanding different cultures and geopolitics is required because ITOCHU Corporation operates on a global scale as a general trading company.
Marketing / Sales	Knowledge of these areas is required because promotion of "Earn" measures is a key element of ITOCHU Corporation's operations, which depend on leveraging sales capabilities as a "Merchant," from a market-oriented perspective.
Self-Transformation / DX	ITOCHU Corporation realizes sustained growth by drawing on comprehensive strengths as a general trading company accompanied by self-transformation in a flexible manner that reflects changes in the external environment. ITOCHU Corporation does not make DX itself a target. Instead, by self-transformation, ITOCHU Corporation steadily builds up individual projects that are expected to swiftly contribute to profit namely those that optimize supply chains, etc. while leveraging existing business foundations. Knowledge of these areas is required for taking these actions.
SDGs / ESG	ITOCHU Corporation aims for sustained growth with a commitment to capitalism with greater emphasis on serving all stakeholders, which is "*Sampo-yoshi* capitalism." ITOCHU Corporation sets to solve the seven identified material issues through business operations, including addressing climate change, to contribute to accomplishing the Sustainable Development Goals (SDGs). Consequently, knowledge of these areas is required.
Health & Medical Care	People is the most valued management resource of ITOCHU Corporation. Developing capability and enhancing the health is essential for maintaining a powerful workforce that may fulfill our Guideline of Conduct: "I am One with Infinite Missions." Consequently, knowledge of these areas is required.
Finance, Accounting & Risk Management	Sustained growth requires strong financial foundation, accurate financial reports, and the analysis of risks when examining M&A and other projects. A quantitative framework of administrative divisions which support business divisions is also essential. Consequently, knowledge of these areas is required for constantly implementing the "Earn, Cut, Prevent" principles.
Human Resource Strategy	ITOCHU Corporation clearly identifies human resources as a key component of management strategy. Knowledge of this area is required in order to effectively implement various initiatives, such as work-style reforms to enhance corporate value.
Internal Control & Legal Affairs / Compliance	ITOCHU Corporation maintains an appropriate structure for the monitoring and audit of management in order to ensure appropriate and efficient execution of operation. Knowledge of these areas is required in order to make constant improvements to this structure and implement "prevent" measures.

Checking and Balancing System by the Independence Executives

Criteria for the independence of directors/ auditors

- ITOCHU has adopted its own independence criteria (augmenting the independence criteria established by the Tokyo Stock Exchange), which is disclosed in Principle 4-9, 2. Disclosure Based on Principles of Corporate Governance Code, I. Basic Policy, Capital Structure, Corporate Attributes and Other Basic Information.
- All of the Company's Outside Directors and outside Audit & Supervisory Board Members who qualify as independent are designated as independent Directors/ Audit & Supervisory Board Members.
- ITOCHU has established a de minimis standard of ¥10 million per fiscal year relating to a donation made by the Company. ITOCHU views that a donation within the de minimis standard above is unlikely to affect our investor's judgment on its voting, thus description on such donation is omitted from our filings of independent directors/ auditors.

Performance of the Independent Outside Directors and Outside Audit & Supervisory Board Members

Independent Outside Directors

- Mr. Kawana attended all 13 meetings of the Board of Directors held during FYE 2025. He mainly made statements from an objective and neutral position as an Outside Director. During FYE 2025, he was a member of the Governance, Nomination and Remuneration Committee, and contributed to upgrade governance and increase the objectivity of succession plans and selections of officers. Additionally, he used his professional knowledge and experience to provide many beneficial suggestions in the areas of strategic health management for employees which ITOCHU promotes.
- Ms. Nakamori attended all 13 meetings of the Board of Directors held during FYE 2025. She mainly made statements from an objective and neutral position as an Outside Director. During FYE 2025, she chaired the Women's Advancement Committee and led discussions on measures to promote the advancement of ITOCHU's female employees from a real-world perspective. Additionally, she was a member of Governance, Nomination and Remuneration Committee, and contributed to upgrade governance and increase the objectivity of succession plans and selections of officers. Furthermore, she used her professional knowledge and experience to provide many beneficial suggestions in the areas of internal control, compliance, and DX related business.
- Mr. Ishizuka attended all 13 meetings of the Board of Directors held during FYE 2025. He mainly made statements from an objective and neutral position as an Outside Director. During FYE 2025, he chaired the Governance, Nomination and Remuneration Committee and led discussions regarding evaluations of the Board of Directors' effectiveness and other governance subjects, selections of senior executives and the succession plan, and the remuneration of officers. Additionally, he used his professional knowledge and experience to provide many beneficial suggestions regarding promoting the business transformation from the point of view of incorporating the needs of the market into ITOCHU's products and services.
- Ms. Ito attended all 13 meetings of the Board of Directors held during FYE 2025. She mainly made statements from an objective and neutral position as an Outside Director. During FYE 2025, she was a member of the Governance, Nomination and Remuneration Committee, and contributed to upgrade governance and increasing the objectivity of succession plans and selections of officers. Additionally, she used her professional knowledge and experience to provide to provide many beneficial suggestions in the areas of SDGs and ESG and human resource strategies.
- Outside Directors actively advise and provide recommendations, from a neutral and objective position, at the Board of Directors and at the voluntary advisory committee of the Board of Directors, and ensure and enhance the effectiveness of the monitoring and supervising function of the Board of Directors and transparency of decision-making by appropriately demonstrating to the internal Directors their supervisory functions based on various perspectives and their management advice function of the Outside Directors.

Corporate Governance

Independent Outside Audit & Supervisory Board Members

- Mr. Uryu attended all 13 meetings of the Board of Directors and all 13 meetings of the Audit & Supervisory Board held during FYE 2025. He mainly made statements from an objective and neutral position as an outside Audit & Supervisory Board Member. During FYE 2025, he was an observer of the Governance, Nomination and Remuneration Committee and contributed to upgrade governance and increasing the objectivity of succession plans and selections of officers.
- Mr. Fujita attended all 13 meetings of the Board of Directors and all 13 meetings of the Audit & Supervisory Board held during FYE2025. He mainly made statements from an objective and neutral position as an Outside Audit & Supervisory Board Member. During FYE2025, he was a member of the Women's Advancement Committee and contributed to speeding up measures for supporting women's advancement and promotion.
- Ms. Kobayashi attended all 13 meetings of the Board of Directors and all 13 meetings of the Audit & Supervisory Board held during FYE2025. She mainly made statements from an objective and neutral position as an Outside Audit & Supervisory Board Member. During FYE2025, she was a member of the Women's Advancement Committee and contributed to speeding up measures for supporting women's advancement and promotion.
- Outside Audit & Supervisory Board Members actively provide an opinion, from a neutral and objective position, at the Board of Directors and at the voluntary advisory committee of the Board of Directors, and enhance the transparency of decision-making by appropriately demonstrating their supervisory functions of the Outside Directors against the performance of the internal Directors.

Significance of Holding and ITOCHU's Policy on the Governance of Its Listed Subsidiaries and Affiliates

Approach and Policies Related to Group Management

ITOCHU has many consolidated subsidiaries and is expanding its diverse businesses in Japan and all over the world. As the core of the Group, ITOCHU formulates management policies as well as management plans on a group basis, and regularly monitors the progress of each segment. In order to appropriately deal with various risks as a group, we maintain internal control systems on a group basis, which are necessary to ensure that Directors implement their duties in compliance with laws and statutory regulations and the Articles of Incorporation, and to ensure the appropriateness of other operations.

In particular, ITOCHU makes conscientious efforts to ensure the execution of duties by directors and employees at each subsidiary comply with laws and regulations, as well as the Articles of Incorporation, by means of the directors and corporate auditors dispatched to each subsidiary supervising and auditing the execution of duties. In addition, in order to deal with various risks such as market risk, credit risk, country risk, investment risk, environmental/social risk etc. of the Group, ITOCHU maintains and manages risks comprehensively and individually. For that purpose, various internal committees and responsible departments have been established, and the necessary risk management system and management method are group-based. Furthermore, ITOCHU formulates a group compliance program, establishes and operates the system required to prevent the occurrence of any violations of laws and regulations, and strives for continuous improvement through regular reviews.

Basic Approach and Policies Related to the Business Portfolio Strategy

With the purpose of conducting timely and strategic investments, the Company selects the optimal funding types and ratios from among a diverse range of options, such as ITOCHU establishing a subsidiary on its own, jointly funding a project with a partner, and acquiring a company to enable management participation or to convert into a subsidiary. We do not specifically use different types of funding based upon whether or not a target company is listed on a securities exchange. Regarding holding policies, such as decreasing, maintaining, or increasing our ownership ratio, we comprehensively assess such factors as the unique characteristics of the industry and the post-investment outlook for each investee, to thoroughly confirm the significance of ownership. The proposal is then considered by the Division Company that would handle the investment. For major investees, discussions are held annually in management meetings. Decisions regarding the holding policies are made taking these discussions into account and are shared with Outside Officers.

Furthermore, ITOCHU does not believe that the divestment of holdings should be uniformly carried out based solely on the fact that a subsidiary or affiliate is publicly listed. We recognize the significance of each individual subsidiary's holding rational and strive to establish and maintain an effective governance structure to prevent conflicts of interest. Additionally, while considering the strategic positioning of each subsidiary within ITOCHU Group, we make individual assessments of holding policies of listed subsidiaries without limiting the options, based on a case-by-case basis.

Basic Approach and Policies Related to the Treatment of Listed Subsidiaries and Affiliates in the Group Management System

The Company has established special rules for domestic listed companies as part of its internal rules related to managing subsidiaries and affiliates. These special rules set forth ITOCHU's commitment to preventing actions that violate the general principles of management's respect for independence and shareholder equality. At the same time, regarding matters related to internal management, including compliance and internal control, we conduct management in a balanced way by affirming the need to offer advice and guidance for the purpose of conducting appropriate management as the parent company and major shareholder. Moreover, as a general rule, the Group requests subsidiaries to participate in the Group financial system. For listed companies, in light of the independence of their management, participation in the Group financial system is voluntary.

In addition, to contribute to the expansion of profits and the stabilization of management at each listed subsidiary and affiliate, following discussions with each entity, we promote personnel exchanges, mainly by dispatching from the Company people with expertise in financial accounting, legal affairs, and other matters and management personnel for overseas expansion and overseas bases, as well as by taking in personnel from listed subsidiaries and affiliates into the Company's sales and management departments.

Corporate Governance

Significance of Holding Listed Subsidiaries

As of June 20, 2025, ITOCHU's listed subsidiaries are ITOCHU ENEX CO., LTD., ITOCHU-SHOKUHIN Co., Ltd. and Prima Meat Packers, Ltd. The merits of holding a listed subsidiary include expansion of business partners based on our name recognition, creditworthiness and independence; the expansion of synergies within the Group; reduction of ITOCHU's financial burden on the listed subsidiary against the backdrop of the funding procurement capabilities of listed companies; and securing excellent human resources as well as maintaining and enhancing employee motivation. In addition, the demerits of holding a listed subsidiary include the external outflow of economic profit; the restriction of the Group's execution of management and strategies arising from the necessity of considering minority shareholders; the difficulty in acquiring data; and the cost of remaining listed on a securities exchange. The significance of holding each listed subsidiary from the perspective of the Group's management strategy and sales perspective is as follows:

Company	Significance of Holding
ITOCHU ENEX CO., LTD.	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 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., utilizing ITOCHU Group's extensive domestic and international network, promotes initiatives in the new energy field based on the SDGs, and carries out the fuel supply businesses for our Group companies. Furthermore, by maintaining listed subsidiary, ITOCHU may secure the possibility of raising funds not only through our company but also from the capital markets, leveraging our reputation and credibility. Additionally, in terms of human resources, we believe this will lead to the acquisition of talented individuals from the labor market and enhance employee morale. ITOCHU and ITOCHU ENEX CO., LTD., as business partners, are mutually contributing to the enhancement of corporate value. ITOCHU ENEX CO., LTD. is a Group company that was listed on a securities exchange and holding it as a listed subsidiary is fully rational when considering the aforementioned merits and demerits of remaining listed on a securities exchange.
ITOCHU-SHOKUHIN Co., Ltd.	The principal and main business of ITOCHU-SHOKUHIN Co., Ltd. is the sale and distribution of alcoholic beverages and processed foods. Based on its existence, 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 our 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 digital transformation (DX), etc., ITOCHU is contributing to the expansion and evolution of the services provided by ITOCHU-SHOKUHIN Co., Ltd. By maintaining listed subsidiary, ITOCHU may secure the possibility of raising funds not only through our company but also from the capital markets, leveraging our reputation and credibility. Additionally, in terms of human resources, we believe this will lead to the acquisition of talented individuals from the labor market and enhance employee morale. Accordingly, ITOCHU and ITOCHU-SHOKUHIN Co., Ltd. are in a mutually beneficial relationship as business partners to enhance corporate value. ITOCHU SHOKUHIN Co., Ltd. is a Group company that was listed on a securities exchange and maintaining this holding as a listed subsidiary is fully rational in consideration of the aforementioned merits and demerits of remaining listed on a securities exchange.
Prima Meat Packers, Ltd.	The main and principal business of Prima Meat Packers, Ltd. is to sell meat and processed livestock products, and it assumes an important role in supplying final products in ITOCHU Group's livestock value chain. Prima Meat Packers, Ltd. utilizes ITOCHU 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 our Group. As business partners, ITOCHU and Prima Meat Packers, Ltd. have a mutually beneficial relationship to enhance corporate value. A business relationship on the premise of pursuing mutual economic rationality has been established and maintained. By maintaining listed subsidiary, ITOCHU may secure the possibility of raising funds not only through our company but also from the capital markets, leveraging our reputation and credibility. Additionally, in terms of human resources, we believe this will lead to the acquisition of talented individuals from the labor market and enhance employee morale. In addition, Prima Meat Packers, Ltd. has become a subsidiary of ITOCHU as the Company incrementally acquired more shares. Because it is a listed company, synergy with ITOCHU will be pursued while further solidifying its value chain by conducting a broad range of trade with other companies. Continuing to hold Prima Meat Packers, Ltd. as a listed subsidiary is fully rational when considering the aforementioned merits and demerits of remaining listed on a securities exchange.

Corporate Governance

Policies Related to Ensuring the Effectiveness of the Governance System of Listed Subsidiaries

ITOCHU respects the autonomy of these listed subsidiaries and prohibits any acts that contradict the principle of shareholder equality. In particular, 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 listed subsidiaries, we request these listed subsidiaries to set up an effective governance structure under which functions of their independent Outside Directors are well assured. Each of the above-mentioned subsidiaries has established and maintained an effective governance system, including the appointment of certain number of Outside Directors and the establishment of an independent advisory committee to the Board of Directors, and a special committee where transactions or actions which may conflict with the interest of the controlling shareholder are deliberated and studied. ITOCHU will continue to encourage listed subsidiaries to further improve their governance structure, taking into account the Corporate Governance Code issued by the Tokyo Stock Exchange.

In addition, while seeking synergies by strengthening cooperation with each listed subsidiary, in conducting transactions with each listed subsidiary, fair and appropriate terms and conditions are determined by taking into account market prices, etc., on the premise of pursuing economic rationality with each other. Further, ITOCHU fully respects the decision of the advisory committee to the Board of Directors, which has the function of nomination, in exercising voting rights regarding the selection or removal of independent directors or nomination process of independent directors of our listed subsidiaries.

The policies related to ensuring the effectiveness of the governance systems of each listed subsidiary are as follows:

Company	The policies related to ensuring the effectiveness of the governance systems
ITOCHU ENEX CO., LTD.	ITOCHU ENEX CO., LTD. has established terms and conditions related to transactions and acts with ITOCHU. These are similar to ITOCHU ENEX CO., LTD.'s general terms and conditions, taking into account market prices. In addition, regarding significant transactions and acts that cannot reference market prices, ITOCHU ENEX CO., LTD. ensures the propriety of transactions by receiving approval from its Board of Directors, which includes Outside Directors and Audit & Supervisory Board Members, after conducting deliberations and studies at a specialized committee, which comprises independent Outside Directors and others who possess independence.
ITOCHU-SHOKUHIN Co., Ltd.	Inter-Group transactions are based on the principle of economic rationality. ITOCHU-SHOKUHIN Co., Ltd. provides sufficiently competitive functions and food products while being evaluated by each Group company, and independence is assured. In addition, matters related to significant conflicts of interest are deliberated and studied by the Governance Committee, which has a majority of independent Outside Directors as members of the advisory body to its Board of Directors.
Prima Meat Packers, Ltd.	Prima Meat Packers, Ltd. has ensured independence from ITOCHU by having a majority of independent Outside Directors.

Agreements Related to Content that Should Be Listed as the Approach and Policies Related to Group Management

ITOCHU has not concluded capital and business alliance agreements or agreements related to Group management with any listed subsidiary

Corporate Governance

Significance of Holding Listed Affiliates

As of June 20, 2025, ITOCHU holds investments in multiple affiliates.

The merits of listed affiliates remaining listed include expansion of business partners based on our name recognition, creditworthiness and independence; the expansion of synergies within the Group; and securing excellent human resources, as well as maintaining and enhancing employee motivation.

However, the demerits of holding each company as a listed affiliate include the external outflow of economic profit; the restriction of the Group's execution of management and strategies arising from the necessity of considering minority shareholders; the difficulty in acquiring data; and the cost of remaining listed on a securities exchange.

In the Group's management, the significance of holding each listed affiliate includes leveraging the Group's sales channels to expand sales, utilizing ITOCHU's expertise in the management of specific industries and overseas expansion, and enhancing competitiveness through alliances between other Group companies, and managing businesses as a member of the Group is considered beneficial to enhancing corporate value for both ITOCHU and each listed affiliate. The significance of holding each listed affiliate is as follows and considering the aforementioned merits of maintaining the listing on a securities exchange, we believe holding each of these companies as listed affiliates is fully rational.

Company	Significance of Holdings
Tokyo Century Corporation	Tokyo Century Corporation operates a wide variety of businesses, including business investment, across its five business fields, starting with its traditional field of domestic leases and going on to encompass auto mobility, specialty (including aircraft, ships, and real estate), environmental infrastructure, and international business. Tokyo Century Corporation and ITOCHU have a collaborative relationship in a wide range of fields, including information, environmental energy, and such machinery fields as automobiles, construction machinery, and aircraft. Both companies are expanding their mutual businesses in part by offering joint proposals and providing joint funding to promising candidates in new business fields. Accordingly, ITOCHU and Tokyo Century Corporation are in a mutually beneficial relationship as business partners to enhance corporate value. Tokyo Century Corporation was created through the merger of one of ITOCHU's listed Group companies and another listed company.
Hitachi Construction Machinery Co., Ltd.	Hitachi Construction Machinery Co., Ltd. is working to expand its businesses, including finance business, rental business, and used equipment sales in addition to the sale of new construction machinery. Hitachi Construction Machinery Co., Ltd. has had various kinds of business relationships in part through the joint expansion of the finance business and export trade. Hitachi Construction Machinery Co., Ltd. has an important and indispensable position as ITOCHU builds a stable earnings base in the construction machinery business. In addition, Hitachi Construction Machinery Co., Ltd. utilizes ITOCHU's extensive network and promotes collaboration in a wide range of business fields and various regions, including the United States. ITOCHU and Hitachi Construction Machinery Co., Ltd. are in a mutually beneficial relationship as business partners to enhance corporate value. In conjunction with the dissolution of its former North America joint venture, Hitachi Construction Machinery Co., Ltd. reconstructed its sales and service network, ended its relationship as a listed subsidiary of Hitachi, Ltd., and executed a capital alliance as a business partner.
AICHI CORPORATION	AICHI CORPORATION is engaged in manufacturing aerial work platforms, which are vehicles—such as trucks—equipped with machinery enabling high-altitude operations, as well as in their domestic and international sales. Leveraging ITOCHU's extensive know-how in expanding the commercial vehicle value chain—including finance, aftersales service, and used vehicle sales—and its robust global network, the partnership is expected to drive further business growth. AICHI CORPORATION and ITOCHU enjoy a mutually beneficial relationship as business partners, enhancing each other's corporate value. Additionally, AICHI CORPORATION entered into a capital and business alliance with Toyota Industries Corporation as a strategic partner during the termination of their parent-subsidiary dual listing.
WELLNEO SUGAR Co., Ltd.	WELLNEO SUGAR Co., Ltd. is a holding company with ITOCHU as a major shareholder, created in January 2023 by the merger of Nissin Sugar Co., Ltd., which is listed on the Prime Market of the Tokyo Stock Exchange, and ITOCHU SUGAR CO., LTD., which is a wholly owned subsidiary of ITOCHU, in order to address the diversification in sugar demand and changes in Japan's demographics. ITOCHU SUGAR CO., LTD., which boasts one of the most efficient sugar manufacturing operations in Japan, and Nisshin Sugar Co., Ltd., which boasts high brand awareness in major metropolitan areas, including Tokyo and Osaka, have a business foundation comprising around 30% of the market share in Japan, and WELLNEO SUGAR Co., Ltd. occupies an important and indispensable position in ITOCHU. WELLNEO SUGAR Co., Ltd. is expected to further demonstrating sales synergy utilizing the ITOCHU Group's intermediate distribution and downstream network as well as the Company's overseas raw material procurement function, which is top class among general trading companies. ITOCHU and WELLNEO SUGAR Co., Ltd. are in a mutually beneficial relationship as business partners to enhance corporate value. WELLNEO SUGAR Co., Ltd. was created through a share exchange between one of ITOCHU's Group companies and another listed company.
FUJI OIL CO., LTD.	FUJI OIL CO., LTD. develops, manufactures, and sells food products, including those made with plant-based oils, cacao, and soy beans. FUJI OIL CO., LTD. has an important position in ITOCHU's portfolio because, in the development of plant-based ingredients, it boasts unique technological capabilities accumulated since its founding, a shift to high value added businesses, and global operations. In addition to the joint promotion of the oil business in the United States, ITOCHU and FUJI OIL CO., LTD. utilize the Group's network in the stable procurement of raw materials, sale of products, and personnel exchanges. ITOCHU and FUJI OIL CO., LTD. are in a mutually beneficial relationship as business partners to enhance corporate value. FUJI OIL CO., LTD. is a Group company that was listed on a securities exchange after considering the merits of being listed.
CENTURY 21 REAL ESTATE OF JAPAN LTD.	The principal and main business of CENTURY 21 REAL ESTATE OF JAPAN LTD. is the franchising of real estate agencies, and it has around 960 stores that participate in franchises serving as customer contact points. It assumes an important role in the Group building a stable earnings base in the real estate business. In addition, CENTURY 21 REAL ESTATE OF JAPAN LTD. utilizes the Group's extensive network to enhance services to customers and participating stores. ITOCHU and CENTURY 21 REAL ESTATE OF JAPAN LTD. are in a mutually beneficial relationship as business partners to enhance corporate value. CENTURY 21 REAL ESTATE OF JAPAN LTD. is a Group company that was listed on a securities exchange after considering the merits of being listed.
Paraca Inc.	The principal and main business of Paraca Inc. is the operation and management of parking lots. It operates and manages parking lots comprising around 45,000 parking spaces across Japan. It assumes an important role in building the Company's construction and real estate business value chain and creating a stable earnings base. Paraca Inc. utilizes the Group's extensive network to expand the parking lot business. ITOCHU and Paraca Inc. are in a mutually beneficial relationship as business partners to enhance corporate value. Since starting a capital and business alliance, ITOCHU made Paraca Inc. an affiliate by acquiring additional shares of the company after confirming that the relationship will help mutually enhance corporate value.

Corporate Governance

Company	Significance of Holdings
Nalnet Communications Inc.	Nalnet Communications Inc. operates a business for commissioned maintenance of leased vehicles, which is handled at its more than 12,000 maintenance shops across Japan. ITOCHU expects to conduct tire sales to the automotive maintenance shop network centered on Nalnet Communications Inc. and expects to utilize the vehicle maintenance functions in this network in the used vehicle sales business, which is forecast to expand going forward. Because of this, ITOCHU and Nalnet Communications Inc. are in a mutually beneficial relationship as business partners to enhance corporate value. Nalnet Communications Inc. was listed in line with the exit scenario for other shareholders at one of ITOCHU's Group companies.
Nishimatsu Construction Co., Ltd.	Nishimatsu Construction, a major general contractor specializing in civil and building construction as well as real estate development and holdings, plays a crucial role in our construction and real estate value chain and in establishing a stable revenue base. To further expand Nishimatsu Construction's business, we are leveraging the extensive network of the Itochu Group. As a result, ITOCHU and Nishimatsu Construction enjoy a mutually beneficial business partnership that enhances both companies' corporate value. Since starting a capital and business alliance, ITOCHU made Nishimatsu Construction an affiliate by acquiring additional shares of the company after confirming that the relationship will help mutually enhance corporate value.
BELLSYSTEM24 Holdings, Inc.	BELLSYSTEM24 Holdings, Inc. assumes an important role in elevating the customer experience in ITOCHU's digital businesses. Its principal and main business is the operation of contact centers and the provision of BPO services in the form of solutions to business issues. BELLSYSTEM24 Holdings, Inc. utilizes the Group's extensive network in such fields as AI and data analysis. ITOCHU and BELLSYSTEM24 Holdings, Inc. are in a mutually beneficial relationship as business partners to enhance corporate value. BELLSYSTEM24 Holdings, Inc. was listed in line with the exit scenario for other shareholders at one of ITOCHU's Group companies.
WingArc1st Inc.	WingArc1st Inc. assumes an important role in developing and operating IT systems in ITOCHU's digital businesses. Its principal and main business is the development and sale of software and cloud services related to the creation of business forms, the management of documents, and data utilization. In the expansion of its customer base and the creation of new businesses utilizing proprietary solutions, WingArc1st Inc. not only utilizes the Group's extensive domestic and international network, it also supports the Group's DX in such ways as adapting to the Electronic Books Maintenance Act. ITOCHU and WingArc1st Inc. are in a mutually beneficial relationship as business partners to enhance corporate value. WingArc1st Inc. was listed in line with the exit scenario for other shareholders at one of ITOCHU's Group companies.
SKY Perfect JSAT Holdings Inc.	SKY Perfect JSAT Holdings Inc. assumes an important role in strengthening space, satellite, and media-related businesses in ITOCHU's data and telecommunications field. Its principal and main business is the space business, which is centered on satellite telecommunication services, and the media business, which provides the pay TV channel SKY PerfecTV!. SKY Perfect JSAT Holdings Inc. aligns with the Group's extensive domestic and international network in the construction of new businesses in the media field, which utilizes content and solutions, and in the space and satellite field, which utilizes satellite imagery and data. ITOCHU and SKY Perfect JSAT Holdings Inc. are in a mutually beneficial relationship as business partners to enhance corporate value. SKY Perfect JSAT Holdings Inc. is a listed company that was established by a business merger through the share transfer of the two listed companies SKY Perfect Communications Inc. and JSAT Corporation. ITOCHU has been a shareholder in both companies since their founding and, with Fuji Media Holdings, Inc., jointly established ITC Partners, Inc. (now ITOCHU Fuji Partners, Inc. (IFP)). By investing the shares of SKY Perfect JSAT Holdings Inc. owned by the two companies into IFP, IFP's stake in SKY Perfect JSAT Holdings Inc. exceeded 20%, making it an affiliate of IFP.

Affiliates Listed in Overseas Markets

ITOCHU holds investments in multiple listed affiliates overseas as well. The reasons for investing in listed affiliates overseas are as follows.

- Strategic business and capital alliances with powerful local listed companies
- Responding to laws and regulations for specific industries in relevant countries
- Responding to transaction conditions with state-run companies
- Enhancing creditworthiness in countries where businesses are operated

Corporate Governance

Agreements Related to Content that Should Be Listed as Approaches and Policies Related to Group Management with Low Risk of Conflict of Interests between ITOCHU and Minority Shareholders as well as Measures Related to Ensuring the Effectiveness of the Governance Systems of Listed Affiliates

Regarding listed affiliates, ITOCHU is careful to ensure there are no conflicts of interest in transactions with relevant companies and takes action based on listed subsidiaries as needed in light of the actual situation of each company, including capital relationships and transaction status. Please reference the following information for details related to each listed affiliate (the scope is the same as the companies specified in the section above regarding the significance of holding listed affiliates).

Company	Significance of Holdings
Tokyo Century Corporation	Tokyo Century Corporation has a sales transaction relationship with ITOCHU and Group companies. Each transaction is conducted based on Tokyo Century Corporation's own judgment after conducting individual negotiations with each company on the same basis as any general business partner, so the Company does not place restrictions on business, ensures a certain level of independence, and takes appropriate action to ensure there is no negative impact on the profit of minority shareholders. ITOCHU and Tokyo Century Corporation have not concluded an agreement related to content that should be listed as the approach and policies related to Group management.
Hitachi Construction Machinery Co., Ltd.	ITOCHU invests in Hitachi Construction Machinery Co., Ltd. through HCJI Holdings Ltd. (HCJI), which is a joint venture with Japan Industry Partners, Inc. (JIP). The Company believes there is low risk of conflicts of interests with minority shareholders of ITOCHU and Hitachi Construction Machinery Co., Ltd. because their business content is not in a competitive relationship and Hidemi Moue, who is the Representative Director & President of HCJI and the Director & CEO of JIP, is dispatched as a director to Hitachi Construction Machinery Co., Ltd (as of June 21, 2024). HCJI and Hitachi Construction Machinery Co., Ltd. have concluded a capital alliance agreement.
AICHI CORPORATION	AICHI CORPORATION has established a special committee composed entirely of independent outside directors for significant transactions with its controlling shareholder group. This committee evaluates the fairness of such transactions by comparing their terms against those offered to third parties, ensuring that AICHI CORPORATION's interests are not compromised. In addition, AICHI CORPORATION maintains a board with a majority of independent outside directors, thereby securing sufficient independence from ITOCHU and minimizing potential conflicts of interest with ITOCHU and AICHI COPORATION's minority shareholders. Moreover, besides having a capital and business alliance with ITOCHU, AICHI CORPORATION has also entered into an operational partnership agreement with ITOCHU and Toyota Industries Corporation, a shareholder in AICHI CORPORATION.
WELLNEO SUGAR Co., Ltd.	ITOCHU, WELLNEO SUGAR Co., Ltd., and Sumitomo Corporation, which is a shareholder of WELLNEO SUGAR Co., Ltd., have concluded a capital and business alliance agreement. In this agreement, the basic policy is to ensure the independence of the management of WELLNEO SUGAR Co., Ltd., and the signers agree to respect WELLNEO SUGAR Co., Ltd.'s independence, autonomy, and relationships with existing business partners as well as the adoption and implementation of measures needed to execute business from the perspective of WELLNEO SUGAR Co., Ltd.'s Board of Directors aim of creating shareholder profit. WELLNEO SUGAR Co., Ltd. was created through a share exchange between one of ITOCHU's Group companies and another listed company.
FUJI OIL CO., LTD.	When FUJI OIL CO., LTD. has new transactions (¥1.0 billion or more annually) with the Group or business alliance conditions determined to be important to ITOCHU, both companies discuss the fairness of the matter from the perspective of protecting minority shareholders, and the matter is deliberated and resolved by its Board of Directors to ensure the transparency and fairness of assessments. ITOCHU and FUJI OIL CO., LTD. have not concluded an agreement related to content that should be listed as the approach and policies related to Group management.
CENTURY 21 REAL ESTATE OF JAPAN LTD.	Real estate agency franchises, which is the principal and main business of CENTURY 21 REAL ESTATE OF JAPAN LTD., do not have ongoing transactions with ITOCHU or the Group, and the relationship with CENTURY 21 REAL ESTATE OF JAPAN LTD. does not benefit the sales transactions of ITOCHU and its Group companies. ITOCHU and CENTURY 21 REAL ESTATE OF JAPAN LTD. have not concluded an agreement related to content that should be listed as the approach and policies related to Group management.
Paraca Inc.	Paraca Inc. has built a highly transparent governance system, selecting independent Outside Directors for five of its seven directors (as of June 20, 2025), ensuring a majority. ITOCHU and Paraca Inc. have concluded a capital and business alliance agreement.
Nalnet Communications Inc.	When conducting individual sales transactions with ITOCHU and Group companies, Nalnet Communications Inc. conducts each transaction based on its own judgment after conducting individual negotiations with each company like with any general business partner, so the Company does not place restrictions on business, ensures a certain level of independence, and takes appropriate action to ensure there is no negative impact on the profit of minority shareholders. ITOCHU and Nalnet Communications Inc. have not concluded an agreement related to content that should be listed as the approach and policies related to Group management.
Nishimatsu Construction Co., Ltd.	Nishimatsu Construction is an Audit Committee Company and has established an Audit Committee comprising five directors, including four independent outside directors. When entering into individual business transactions with ITOCHU and its Group companies, Nishimatsu Construction negotiates separately with each counterpart on the same basis as all other business partners. As these transactions are executed based on Nishimatsu Construction's independent judgment, there are no operational constraints imposed by ITOCHU, ensuring a maintained level of independence and appropriate protection of the interests of minority shareholders. Additionally, Nishimatsu Construction and ITOCHU have entered into a capital and business alliance agreement.
BELLSYSTEM24 Holdings, Inc.	The ITOCHU Group and TOPPAN Holdings Group, which is the second largest shareholder, have been identified as affiliated parties that possess significant influence on the BELLSYSTEM24 Holdings, Inc 's financial and business decision making. Rules related to the management of transactions with affiliated parties have been established and are enforced in line with standards that were established for transactions that need and do not need approval from the Board of Directors depending on the scale and characteristics. In addition, regardless of whether approval from the Board of Directors is needed, approval for ongoing transactions with affiliated parties is sought from the Board of Directors at the beginning of every fiscal year, and with that approval, monitoring is conducted related to the fairness of transactions by the Board of Directors. ITOCHU and BELLSYSTEM24 Holdings, Inc. have not concluded an agreement related to content that should be listed as the approach and policies related to Group management. BELLSYSTEM24 Holdings, Inc. was listed in line with the exit scenario for other shareholders at one of ITOCHU's Group companies.
WingArc1st Inc.	As a preliminary advisory body for approving transactions with affiliated parties, special committee rules put in place by WingArc1st Inc. provide for the establishment, when necessary, of a special committee to be comprised of Outside Directors and personnel who is not a director dispatched from ITOCHU, upon their appointment by Outside Directors following discussion. In this way, management independence and transparency are assured, and management-related supervisory functions are strengthened. ITOCHU and WingArc1st Inc. have concluded a capital and business alliance agreement.
SKY Perfect JSAT Holdings Inc.	Regarding transactions with major shareholders, SKY Perfect JSAT Holdings Inc. always holds preliminary deliberations to ensure there is no negative impact on shareholder profit and conducts the transactions after confirming they are rational. ITOCHU and SKY Perfect JSAT Holdings Inc. have not concluded an agreement related to content that should be listed as the approach and policies related to Group management.

Corporate Governance

Basic Policy Regarding the Internal Control System and its Operational Status

The Company has established the following internal control systems, which are necessary to ensure that executive officers' implementation of duties are in compliance with laws and statutory regulations and the Articles of Incorporation and ensure the appropriateness of other operations. Below is a summary of the Basic Policy regarding the Internal Control System and its Operational Status as of June 20, 2025. ("Basic Policy regarding the Internal Control System" was approved by Board of Directors on April 19, 2006, and the latest revision was made on May 8, 2024).

Basic Policy Regarding the Internal Control System

1. System to Ensure Compliance by Directors and Employees to Laws, Regulations and the Articles of Incorporation

(1) Corporate Governance

1. As the decision-making body, the Board of Directors, consisting of Directors and Outside Directors, is to decide important matters in accordance with laws and regulations, the Articles of Incorporation, the "Board of Directors Regulations," and other internal regulations, and as the supervisory body, the Board of Directors is to supervise the performance of the directors.

2. Each director is to carry out such director's functions and duties as designated by the Board of Directors in accordance with laws and regulations, the Articles of Incorporation, resolutions by the Board of Directors, and internal regulations.

3. ITOCHU is to adopt the Executive Officer System to strengthen the decision-making function and supervisory function of the Board of Directors, and to streamline executive decision-making. Based on the approval of the Board of Directors, executive officers implement their designated duties based on delegation from the Board of Directors and representative directors.

4. The corporate auditors are to oversee the performance of the directors based on the "Board of Corporate Auditors Regulations" and "Auditors' Auditing Standards."

(2) Compliance

1. Directors and other executives and employees are to conduct themselves in accordance with the ITOCHU Group Corporate Mission and the ITOCHU Group Guideline of Conduct.

2. ITOCHU is to designate a representative director as the chief officer responsible for supervising compliance and also establish the Compliance Committee and a department that oversees all compliance matters. In addition, the "ITOCHU Group Compliance Program" is to be created to further enhance our compliance system.

(3) Internal Control to Ensure Reliability of Financial Reporting

1. ITOCHU is to have in place internal regulations concerning commercial transactions management and accounting, and is to create the position of CFO to ensure the reliability of financial reporting.

2. ITOCHU is to establish the Disclosure Committee and regularly review and improve the development and implementation status of the internal control systems to ensure the reliability of financial reporting.

(4) Internal Audits

ITOCHU is to establish the Audit Division under the direct control of the President and Chief Executive Officer. The Audit Division is to regularly implement internal audits of all aspects of business operations based on the "Audit Regulations." Such internal audits are to examine compliance with laws and regulations, the Articles of Incorporation, and internal regulations, as well as, among other matters, the appropriateness of the procedures and nature of the exercise of duties and responsibilities.

2. System for the Storage and Preservation of Information Related to Director Duties

The directors are to appropriately store and preserve important documents and related materials concerning the performance of their duties, including the minutes of the General Meeting of Shareholders, in accordance with the "Information Management Regulations," the "Document Management Rules" and other internal regulations. All documents and information so stored and preserved are to be subject to inspection by the directors and auditors at any time. Further, the Company will establish departments responsible for the timely disclosure of important corporate information and other information. At the same time, directors will rapidly and comprehensively gather information that requires disclosure and implement timely and appropriate disclosure in compliance with laws and statutory regulations.

Corporate Governance

3. Regulations Concerning the Management of the Risk of Loss and Other Relevant Risk Management System

To adequately address the various risks associated with our business operations, such as market risk, credit risk, country risk, investment risk, and environmental and social risks, ITOCHU is to establish internal committees and responsible departments, and is to develop the necessary risk management system and risk management techniques, for example establishing a full range of management regulations, investment criteria, risk limits and transaction limits, and developing reporting and monitoring systems, and managing company-wide as well as matter-specific risks . Furthermore, ITOCHU is to regularly review the effectiveness of the risk management system.

4. System to Ensure Efficient Performance of Directors

(1) The HMC and Other Internal Committees

The HMC as a supporting body to the President and Chief Executive Officer, and a number of other internal committees, are to facilitate the proper and agile decision-making by the President and Chief Executive Officer and the Board of Directors.

(2) Division Company System

Under the Division Company System, the position of Division Company president is to be created at each Company, and each Company is to manage its business autonomously in accordance with laws and regulations, the Articles of Incorporation, and internal regulations. Furthermore, each Company is to establish its own numerical targets, and regularly evaluate its performance by comparing against such numerical targets.

(3) Clearly Define the Scope of Authority and Responsibilities

In order to ensure the appropriateness and efficiency of the performance of the management, ITOCHU is to develop internal regulations to clearly define the scope of authority and responsibilities of each corporate officer and divisional manager.

5. System to Ensure the Adequacy of Operations of the ITOCHU Group (Consisting of ITOCHU and Its Subsidiaries)

(1) Subsidiary Management and Reporting System

1. ITOCHU is to establish a department that oversees all the subsidiaries. Furthermore, relevant departments within ITOCHU are to exercise jurisdiction over their responsible subsidiaries, and provide managerial guidance to such subsidiaries in accordance with the internal regulations concerning consolidated company management. In principle, ITOCHU is to send directors and corporate auditors to each subsidiary to ensure the adequacy of the subsidiary's operations.

2. With respect to subsidiaries that ITOCHU owns indirectly through its directly-owned subsidiaries, ITOCHU is to strive to ensure the adequacy of operations by such indirectly-owned subsidiaries in accordance with this Basic Policy by way of, in principle, causing directly-owned subsidiaries to provide managerial guidance to indirectly-owned subsidiaries.

3. With respect to important matters on the management of subsidiaries, ITOCHU is to, in principle, agree and specify with each subsidiary what matters will require the prior approval of or reporting to ITOCHU, as appropriate, taking into account, among others, each subsidiary's nature and size of business and whether it is listed or unlisted.

(2) Rules and Other Systems to Manage the Risk of Loss at Subsidiaries

ITOCHU is to identify the subsidiaries which shall be subject to ITOCHU's Group-wide risk management in respect of each risk category, taking into account, among others, each subsidiary's nature and size of business and whether it is listed or unlisted. In addition, ITOCHU is to periodically review the effectiveness of such Group-wide management system.

(3) System to Ensure the Efficient Performance of Duties by Directors, etc. of Subsidiaries

ITOCHU is to formulate a management plan on a consolidated basis and undertake managerial guidance of subsidiaries in order to attain the said management plan as well as to provide support to subsidiaries such as provision of group financing from ITOCHU.

(4) System to Ensure Compliance by Directors, etc. and Employees of Subsidiaries to Laws, Regulations and the Articles of Incorporation

1. In principle, ITOCHU is to send directors and corporate auditors to each subsidiary and strive to ensure that the performance of duties of directors, etc. and employees of a subsidiary complies with laws and regulations and the Articles of Incorporation of such subsidiary through supervision and audit of the performance of duties at the subsidiary by the said directors and auditors sent from ITOCHU.

2. ITOCHU is to provide guidance to its subsidiaries for the purpose of implementing a compliance system under the "ITOCHU Group Compliance Program" and to perform periodic monitoring and review of the implementation status of the relevant matters as well as providing education and training at subsidiaries whenever necessary for the purpose of securing compliance by the entire ITOCHU Group.

3. All of the operations and activities of the subsidiaries are to be subject to internal audits by the Audit Division.

Corporate Governance

6. Matters Concerning Supporting Personnel to Corporate Auditors, Independence of Such Personnel from the Directors and Ensuring the Effectiveness of Instructions to Such Personnel

ITOCHU is to establish the Corporate Auditors' Office under the direct jurisdiction of the Board of Corporate Auditors and is to put in place full-time employees with the sole responsibility of supporting the work of the corporate auditors. The supervisory authority over such employees is to belong exclusively to the corporate auditors, and evaluation of such employees is to be carried out by the corporate auditor designated by the Board of Corporate Auditors. Any transfer orders or disciplinary actions relating to such employees are to require prior approval by such corporate auditor.

7. System for Reporting by Directors and Employees to Corporate Auditors

(1) Attendance at Important Meetings

The corporate auditors are to attend meetings of the Board of Directors, the HMC meetings, and other important meetings, and interview the directors and other relevant persons regarding the performance of their duties. In addition, the corporate auditors are to have the right to inspect all relevant materials.

(2) Reporting System

1. The directors and corporate officers are to regularly report to the corporate auditors about their performance. Furthermore, in addition to the matters required by laws and regulations, the directors and corporate officers are to report all the decisions that could have a major impact on the finance or business of ITOCHU to the corporate auditors immediately after such decisions are made.
2. Employees are to have the right to report directly to the corporate auditors any matters that could cause serious damage to ITOCHU.
3. In the "ITOCHU Group Compliance Program," ITOCHU is to explicitly prohibit disadvantageous treatment of directors and employees who have reported to the corporate auditors and to ensure thorough familiarization with this prohibition.

8. System for Reporting by Directors, Corporate Auditors and Employees of Subsidiaries or by a Person who Received a Report from Them to Corporate Auditors

(1) Reporting System

1. The directors and corporate auditors of subsidiaries may report directly to the corporate auditors of ITOCHU any matters that could cause serious damage to the said subsidiary.
2. A department that oversees compliance is to periodically report to the corporate auditors of ITOCHU a summary of matters that could cause serious damage to a subsidiary that were reported by the officers and employees of the said subsidiary.
3. In the "ITOCHU Group Compliance Program," ITOCHU is to explicitly prohibit disadvantageous treatment of persons who have reported to the corporate auditors under the provisions listed above and to ensure full familiarization with this prohibition.

9. Matters Concerning Policy on Procedures for Prepayment or Refund of Expenses Arising in Relation to Performance of Duties of Corporate Auditors and Processing of Expenses or Obligations Arising in Relation to the Performance of Other Duties

When a corporate auditor claims prepayment, etc. from ITOCHU in relation to the performance of duties under Article 388 of the Companies Act, ITOCHU is to process the relevant expense or claim promptly upon confirmation by the responsible department.

10. Other Relevant Systems to Ensure the Proper Functioning of Audits

(1) Coordination with the Corporate Auditors by the Audit Division

The Audit Division is to maintain close communication and coordination with the corporate auditors with respect to matters such as formulation of the internal audit plan for each business year, and internal audit results.

(2) Retaining External Experts

When deemed necessary, the corporate auditors are to independently retain outside experts for the implementation of an audit.

Corporate Governance

Overview of the Operational Status of Internal Control System

For the proper operation of internal control systems, ITOCHU has adopted a system by which it further segments items stipulated by the Basic Policy into more detailed confirmatory items in respect of each fiscal year, and, after setting the department in charge of each of these confirmatory items, conducts checks of the construction and the operational status of internal control systems by each department (and by other related internal committees) at the Internal Control Committee meetings held each half year. As of FYE 2026, the Internal Control Committee is chaired by Chief Administrative Officer with the Corporate Planning & Administration Division as secretariat, and consists of Chief Financial Officer, General Manager of Internal Audit Division, and an external expert (attorney) as members. Corporate Auditors also attend and voice opinions every time.

At its meetings, the Internal Control Committee verifies the content of checklists summarizing achievement status, issues, etc. for each of the above confirmatory items, as submitted by the departments in charge of each. It also confirms the construction and operational status of internal control systems by verifying the content of individual reports from the departments in charge, with respect to important matters such as systems to ensure the reliability of financial reporting, compliance systems, systems to manage the risk of losses, and the construction and operational status of internal control systems in the ITOCHU Group. The results of deliberations by the Internal Control Committee are reported twice per year to the HMC and the Board of Directors, the latter of which conducts a full-year evaluation of the construction and operational status of internal control systems.

Regarding the meetings of main internal committees related to internal control in FYE 2025, the Internal Control Committee met 2 times, the Compliance Committee 2 times, and the ALM Committee 12 times.

ITOCHU's internal control systems are constructed on the base of the ITOCHU Group, consisting of ITOCHU Corporation and its subsidiaries, and the operational status of the Group base internal control systems, and the construction and operational status of internal control systems in subsidiaries, are reported regularly to the Internal Control Committee.

ITOCHU intends to revise and improve these internal control systems tirelessly in order to build systems that are even more appropriate and efficient. Further, a meeting of the Board of Directors convened on May 2, 2025 evaluated the development and implementation status of each item enumerated in the Basic Policy regarding the Internal Control System for FYE 2025 and confirmed that there were no significant deficiencies or defects.

Initiatives to Further Enhance the Reliability of Financial Reporting

We have established an internal system in order to further enhance the reliability of our consolidated financial reporting. The designing and implementing of internal control are periodically assessed to keep making appropriate improvements. Specifically, a Chief Responsible for Internal Control has been appointed in each organization to design and implement internal control. The Internal Audit Division evaluates the effectiveness of internal control and provides feedback to each organization to ensure the continuous improvement. Overall management of these initiatives is conducted by the Internal Audit Division, and important matters are determined through deliberations in the Disclosure Committee chaired by the CFO. In this way, we are working to reinforce the companywide internal control system.

Strengthening Risk Management on a Group Basis, Including Subsidiaries

ITOCHU has established internal committees and responsible departments in order to address the various risks associated with the Group's business operations, such as market risk, credit risk, country risk, and investment risk. At the same time, on a Group basis ITOCHU has developed the risk management systems and methods to manage various risks individually and on a companywide basis.

Those include a range of management regulations, investment criteria, risk exposure limits, and transaction limits, as well as reporting and monitoring systems. Moreover, ITOCHU regularly reviews the effectiveness of its risk management systems. As part of such efforts, the ALM Committee protects the ITOCHU Group's assets through deliberations on Group balance sheet management as well as analysis and management of risk.

Corporate Governance

Process for Investments

1 Investment Decisions

Investment Decision Items
- Purpose of Investment / Growth Strategies
- Risk Analysis
- Appropriateness of the Business Plan (Acquisition Price)
- Application of Investment Criteria
- Establishment of Exit Conditions
- Status of Internal Control

Thorough Verification of the Appropriateness of the Business Plan
- Screening of business plans at the time of new investment (including sensitivity analysis)
- Advance preparation of countermeasures for downward divergence from plan (including establishment of exit measures)

Investment Criteria
- Investment efficiency in accordance with Net Present Value (NPV*) based on investee's free cash flows
- Cash inflows into ITOCHU, such as dividends received and earnings from trade activities
- Scale of investee's earnings

*NPV calculations utilize hurdle rates set by country and industry sector

Exit Criteria
- Last three-year cumulative consolidated net profit is negative
- Cumulative Consolidated Investment Return is significantly below the original projection.
- Last three-year cumulative Value Added (Return minus Cost of Equity) is negative.

2 Monitoring
- Implementation of review one year after investment
- Implementation of periodic review once a year for all business investments
- Reevaluation of policies from qualitative (strategic significance, etc.) and quantitative (scale of earnings, investment efficiency, etc.) perspectives
- Formulation of improvement measures for operating companies with issues in the areas of deficits, dividends received, or operating cash flows
- Follow up throughout the year on policies and issue-improvement measures formulated in operating company periodic reviews

3 EXIT
- To strengthen financial position, promote replacement of low-efficiency assets that meet exit criteria, in consideration of the cost of capital and other factors, and of businesses that have lost strategic holding significance

Managing Concentrated Risks

We also manage overall country risk exposure to non-industrialized countries and manage individual country risk based on internal country rating standards. Country limits are deliberated by the Asset Liability Management (ALM) Committee and approved by the HMC.

Business Continuity Plan (BCP)

Policy and Basic Concept

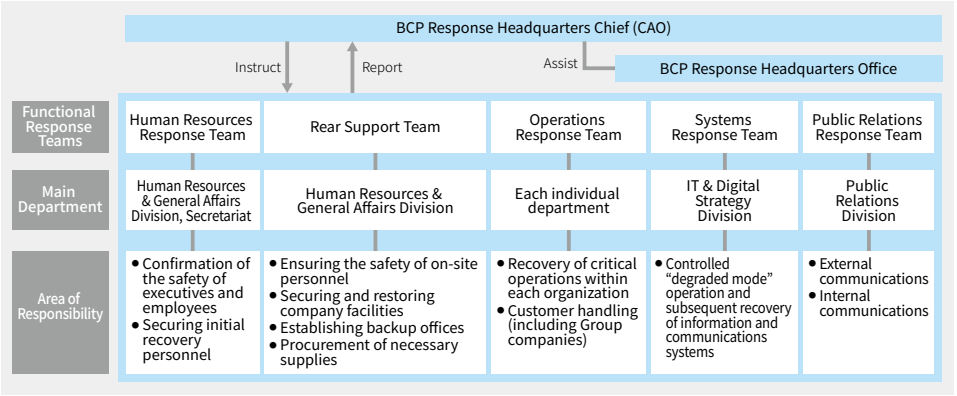
ITOCHU Group has established a Business Continuity Plan (BCP) to ensure that, even in the event of unforeseen circumstances—including major natural disasters such as large-scale earthquakes, widespread infectious disease outbreaks, incidents arising from terrorism, which may be triggered by international armed conflicts or geopolitical disputes, major accidents, and cybersecurity incidents including cyberattacks—critical business operations are either not interrupted at all, or, if interrupted, are restored in the shortest possible time.

Structures and Systems

Within ITOCHU Group, under the leadership of the BCP Response Headquarters Chief (CAO), the BCP Response Headquarters Office plays the central role in updating the BCP and monitoring the status of BCP measures. In order to brace for rapidly changing unexpected situations, new policies and updates to the BCP are formulated as needed with CAO approval. These updates are then reported, based on their significance, to the Internal Control Committee and to the Board of Directors to further strengthen the BCP measures.

Furthermore, each business segment and administrative division designates a BCP representative who is responsible for formulating an individual BCP. Such individual plans compile the list of critical operations, the designated responsible persons, and the initial recovery personnel specific to that organization. In cases where a rapid response is essential due to large - scale disasters or similar incidents, the overall business continuity plan together with the individual BCPs serve as the basis for ensuring employee safety and for maintaining the stability of business operations.

■ BCP Response Headquarters organizational chart (for a large-scale disaster)



Corporate Governance

Initiatives

Response in the Event of a Major Disasters

In the event of a major disaster, the response is structured into four distinct phases, gwith specific commanders and corresponding action items established in the plan:

1. Initial Recovery
- The phase from when the disaster is detected until the activation of the BCP.
- Tasks include confirming the safety of executives and employees in the affected areas and verifying the safety of office facilities.

2. BCP Activation
- The phase following BCP activation during which operations are restarted and brought to a stable course by switching to backup sites, systems, or other substitute measures.
- Tasks include ensuring a reliable switchover to alternate measures, promoting restoration work, reallocating management resources (including initial recovery personnel), checking the progress of BCP implementation, and reviewing the basic BCP policies to resume the most critical operations.

3. Business Recovery
- Once the most critical operations and functions have been restored, the scope of operations is gradually expanded.
- Since this phase involves continuing the use of alternative facilities/methods while expanding business operations, careful consideration is given to prevent on-the-ground confusion.

4. Full Recovery
- The phase in which operations transition from alternate facilities and methods back to normal, routine operations.
- Particular caution is necessary during this phase, as errors in judgment or procedural missteps in declaring full recovery can trigger new operational disruptions.

1. Initial Recovery Actions

Confirm the safety of all executives and employees. This is carried out using available communication devices such as satellite phones, disaster-priority lines, computers, and mobile phones (via email or dedicated applications).

Inspect the damage to office facilities and initiate restoration work on both the buildings and installed equipment. In the event that Tokyo headquarters is impacted, Osaka headquarters is to be established as a backup office, while additional alternate office locations are also secured.

Provide for employees who cannot return home. In line with the ordinance for stranded individuals, each location is equipped with sufficient stocks of water, food, and emergency disaster supplies to allow occupants to remain in the office for approximately three days.

2. BCP Activation, 3. Business Recovery, and 4. Full Recovery

When the BCP Response Headquarters Chief decides to activate the BCP, the BCP Response Headquarters is immediately convened to implement business recovery measures.

The process initially emphasizes the restart of the highest-priority operations; subsequently, the scope of operations is expanded in stages until normal, routine operations are restored.

Response in the Event of a Major Infectious Disease Outbreak

During the outbreak of large-scale infectious diseases—including, for example, the novel coronavirus—the company establishes a crisis management system tailored to the phase of infection spread. Under this system, ensuring the safety of employees and preventing further spread of infections are treated as top priorities. Simultaneously, ITOCHU Group works to contribute to societal stability through the maintenance of supply chains across its various business segments. In this manner, even during periods of widespread infection, a framework is constructed that enables the continuous execution of critical operations while mitigating risk.

Measures to Ensure the Effectiveness of the BCP

- Securing and Establishing Backup Offices for Emergency Business Operations
  In addition to Tokyo and Osaka headquarters, the company's employee dormitory at Hiyoshi is prepared and prioritized as a backup office to support the continuation of critical operations during emergencies.
- Establishment and Regular Inspection of the BCP Response Headquarters Setup
  The BCP Response Headquarters is organized so that it can be set up remotely in the event of an emergency. All systems required for remote setup are subject to regular inspection to ensure that they remain fully operational at all times.
- Regular BCP Drills
  BCP Response Headquarters members conduct regular training exercises. By simulating various scenarios each year, the company aims to enhance both crisis awareness and comprehensive crisis response capabilities.

Safety Measures for Employees on Travel or Stationed Overseas

Labor safety and health management (P145) at ITOCHU Group is undertaken with the Chief Administrative Officer (CAO) serving as the Chief Health Management Officer and is promoted under the supervision of the Human Resources and General Affairs Department, which is responsible for managing labor safety and health in each division company, headquarters, and overseas blocs.

ITOCHU Corporation operates worldwide with roughly 800 employees stationed overseas. We also send as many as ten thousand people a year on overseas business travel (data before the COVID-19 pandemic). Therefore, we are also working to offer health management to overseas staff to establish an environment where they can demonstrate their abilities with peace of mind even in unfamiliar situations, including situations where international armed conflicts or geopolitical disputes may affect local business operations or impact expatriates and travelers. Since close communication between overseas locations and Japan is vital to overseas security management, we have stationed overseas safety specialists at our headquarters. They regularly exchange information about politics, economics, public safety and other factors with personnel and general affairs representatives assigned to each of the six blocs worldwide. They then disseminate appropriate measures internally and to group companies. We have also established a system to cover regions where information is more difficult to obtain through contracts with international security consulting firms. In addition, we have been conducting overseas crisis response training in-house since FYE 2020. We mainly provide this training to those who we plan to station in countries and regions with poor security and employees who we expect to frequently send on business trips to such countries and regions.

Initiatives in Business Activities

To prepare for natural disasters, human-caused disasters, geopolitical risks, etc., we have been consistently working on diversifying our procurement sources and expanding the scope of our sales activities, with the aim of stabilizing our business operations. We believe that these efforts also serve as measures to address long-term risks.

Risk Management

Policy and Basic Concept

ITOCHU Group is exposed to various risks due to its wide range of business natures, such as market, credit, and investment risks.

We acknowledge risk management as a key management issue. Therefore, we have established our basic risk management policy based on the concept of the COSO-ERM framework. We consider risks that could significantly impact our future financial condition and performance as important risks and regularly review them to identify key risks. The respective divisions responsible for each key risk (risk owners) manage them based on specialized expertise and report these risks to various risk committees and the Board of Directors. In this way, we have established a comprehensive, company-wide management system and methodologies for risk management.

Targets and Action Plan

Risks	Opportunities
Occurrence of business continuity risk or unexpected loss resulting from the malfunction of corporate governance or internal control.	Improvement of transparency in decision-making, appropriate response to changes and establishment of a stable basis of growth enabled by the establishment of a firm governance system.

Materiality	SDGs Targets	Impact Classification	Issues to address	Business area	Commitment	Specific approach	Performance indicators	Degree of Progress
Maintain Rigorous Governance Structures		Governance	Maintaining and reinforcing a governance system for achieving sustainable growth	Risk management	We will build a system for group risk management and maintain it to manage the risk of loss and ensure the appropriateness of our corporate group's operations.	Conduct regular reviews of risk management systems that have been established, including internal committees and risk management departments, various rules and regulations, reporting and monitoring systems, as well as the effectiveness of such systems.	Maintain a firm governance system in the medium- and long-term by establishing a PDCA cycle, including development and implementation of action plans by the departments responsible for risk management, and monitoring and reviews by internal committees.	Regarding principal risks of ITOCHU Group, we reviewed the progress of the action plans of the FYE 2025 submitted by each risk management responsible divisions every half year. Including all issues dealt during the period, we reported to the Internal Control Committee that Itochu's internal risk management system is active, which was held in October 2024 (review of the first half of FYE 2025), and in April 2025 (review of the second half of FYE 2025, and the action plans for FYE 2026).

Risk Management

Structures and Systems

Enterprise Risk Management System

ITOCHU conducts enterprise risk management by implementing a company-wide risk management system that includes ongoing risk management by the divisions responsible for key risks (first line), corporate headquarters risk management by HMC and risk management-related committees under the supervision of the Board of Directors (second line), and oversight of progress and the framework from an independent perspective by the Internal Audit Division (third line). This system is in line with the three-lines model recommended by the COSO-ERM framework. For ongoing risk management, each business segment manages risks within the scope of its delegated authority to facilitate prompt decision-making, with the risk-responsible divisions continuously monitoring the situation.

In this way, ITOCHU Group has established internal committees and responsible divisions in order to address the various risks associated with the Group's business operations, such as market risk, credit risk, country risk, and investment risk. At the same time, on a Group basis ITOCHU has developed the risk management systems and methods to manage various risks individually and on a companywide basis. Those include a range of management regulations, investment criteria, risk exposure limits, and transaction limits, as well as reporting and monitoring systems.

In addition, the divisions responsible for key risks conduct Reviews of Consolidated Risk Management Action Plans every six months, reporting the management status for each key risk to the Internal Control Committee to periodically review the effectiveness of our management system. Furthermore, the regular review results for each key risk are reported by the respective risk officers to the Board of Directors.

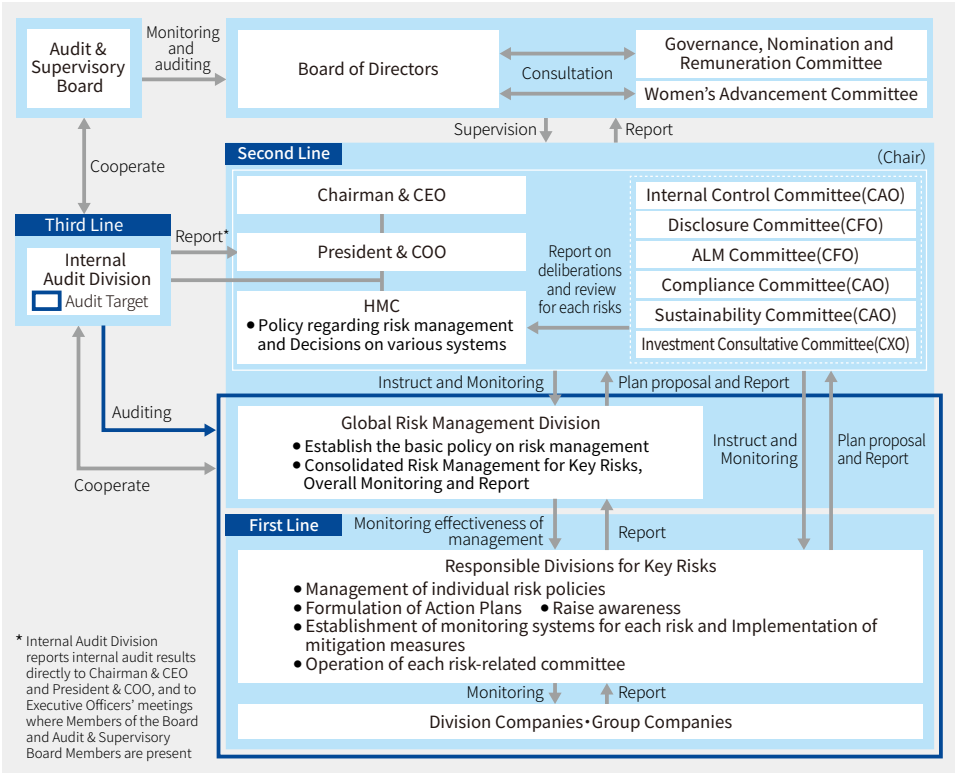
At the corporate headquarters' level, we established and implemented a system for reporting and reviewing individual cases and internal frameworks related to various risk areas through the HMC—which is composed of the Chairman/CEO, the President/COO, and the executive officers appointed by the President/COO—and its subordinate bodies, including the Internal Control Committee, Disclosure Committee, ALM Committee, Compliance Committee, Sustainability Committee, and Investment and Financing Committee, among others. The HMC is chaired by the President. The chairpersons of each committee are officers holding positions such as CFO, CAO, or CXO, and they approve and endorse the matters under deliberation. For significant issues, a mechanism is in place where the outcomes are decided by the President/COO and the Board of Directors, ensuring the appropriate and agile execution of operations.

For instance, the Sustainability Committee, one of the principal internal committees introduced above, is tasked to promote sustainability in the ITOCHU Group's company-wide risk management. The Committee manages operational ESG risks such as human rights risks, health and safety risks, climate change risks, and natural disaster risks, as well as ESG risks related to investments. The Committee cooperates with other Committees as necessary and makes decisions on policies and initiatives to address ESG risks and the ways of promoting widespread understanding of those risk management system throughout our organization. Activities and findings are compiled by the Committee and reported to the Board of Directors annually.

Operational-level Risk Management System

At the individual Division Company level, each Company's President reports to the Division Company Management Committee (DMC), an advisory body to the Companies. The DMC deliberates on important issues such as those regarding investments, lending, assurance, and business management that have the potential to substantially impact the management of each Division Company. If the risks identified or escalated exceed beyond the responsibilities mandated to the DMC, depending on the gravity of the risk and upon deliberation with other committees as necessary, risk issues may be escalated to the HMC and/or the Board of Directors.

■ **Risk Management Governance Structural Chart (As of June 18, 2025)**



Overview of ITOCHU Group's main internal committees (P212)
Reason for Appointment as Outside Directors (P204)

Risk Management

Functions of the Board of Auditors and Internal Audit Division

ITOCHU is a company with Audit & Supervisory Board Members and endeavors to strengthen the monitoring/supervising function and ensure the transparency of decision making by fully empowering our Audit Board—which comprises two full-time auditors and three external auditors—to monitor the Board of Directors. Our auditors attend all Board of Directors meetings and, in an independent capacity, participate in each advisory and internal committee where they serve as members. In addition, the full-time auditors participate in other key meetings and listen to reports on the execution of duties from directors and other senior executives. By leveraging their specialized expertise and backgrounds to provide necessary feedback, they contribute to the maintenance and enhancement of governance reliability.

Our internal audit organization—Internal Audit Division, which is directly under the President—carries out audits on risk management divisions as well as on each Division Company and Group company from an independent standpoint. This division reports both to the Chairman/CEO and the President/COO, and also directly to the Executive Officers' meeting attended by directors and auditors, thereby establishing a dual reporting line. Internal Audit Division works closely with the auditors by discussing the internal audit plan and by regularly exchanging views on audit results and any identified issues or recommendations.

Response to Significant Risks for ITOCHU and Reassessment of Emerging Risks

Regarding the risks that could significantly affect the future financial condition and performance of ITOCHU Group, Global Risk Management Division at our headquarters acts as the coordinator to conduct regular reviews of the 18 key risks outlined in our Basic Risk Management Policy. Specifically, these reviews are performed by comprehensively considering both the opinions of external experts consulted as needed and the content of the Reviews of Consolidated Risk Management Action Plan (Semi-Annual Review) conducted by the divisions responsible for each key risk on a semiannual basis.

For emerging risks, we collect information on potential new risks from the external experts and the Semi-Annual Review. We then examine whether additional measures are warranted by comparing the impact on our Group with that of the existing key risks.

The results of the reviews for both key and emerging risks are reported by each risk-responsible division to the Internal Control Committee. Following deliberation by the committee—chaired by the CAO—the CAO then reports to the Board of Directors on the establishment and operational status of the Basic Policy on Internal Control Systems.

Through these measures, our Group endeavors to fully comprehend both the risks and opportunities arising from macro-environmental factors such as economic downturn risks, geopolitical risks, and environmental and social risks. In doing so, we aim to pursue flexible responses and transformative changes to our business model in response to evolving management environments and temporal shifts, thereby ensuring stable supply procurement, enhanced business continuity, and the development of further competitive advantages.

Please refer to the PEST analysis in our Integrated Report (https://www.itochu.co.jp/en/files/ar2024E_37.pdf)

Risk Management

Response to Key Risks

The divisions responsible for each key risk are implementing risk mitigation measures, drawing on their specialized expertise, as described below. We have established systems to manage and monitor risks not only within individual and Group companies but also, depending on the circumstances, for business partners along the value chain and potential new investment candidates.

Risk Item	Responsible Divisions (Managing Officer)	Leading Risks	Risk Mitigation Measures
Compliance Risks	Legal Division (CAO)	Risks relating to compliance with various laws, ordinances and regulations	Compliance officers in each organization (including companies) manage risks and give guidance on them based on the ITOCHU Group Compliance Program.
Legal Risks (Excluding Compliance Risks)	Legal Division (CAO)	Risks from various regulatory restrictions and changes to laws, risks incurred from regulatory tightening and deregulation, risks incurred due to different administration and interpretation of legal systems, and risk of losses (compensation liability etc.) occurring due to disputes (lawsuits and complaints)	Mitigate the risk of losses expanding by checking contracts and other paperwork in advance in relation to conflicts (lawsuits and complaints). Raise awareness about risks from changes to laws and ordinances by holding various courses. Respond to those risks by accepting inquiries on a case-by-case basis.
Risks Associated with Trade Security Policy Management	Legal Division (CAO)	Risks relating to compliance with the Foreign Exchange and Foreign Trade Act (security-related) and risks relating to international security such as the legal regulations and sanctions of other countries	Export Control & Sanctions Department performs centralized management. Perform appropriate management and give guidance in cooperation with the Export Control Program Officers in each Division Company or department.
Risks Associated with Customs	Legal Division (CAO)	Risks relating to compliance with the three customs acts (Customs Act, Customs Tariff Act and Act on Temporary Measures Concerning Customs)	Conduct in-house monitoring, provide training, accept inquiries on a daily basis, ensure employees and officers are aware of laws and ordinances, and hold periodic report briefings on customs in line with import customs clearance management and customs management manuals, and export customs clearance management manuals.
Country Risks	Global Risk Management Division (CFO)	Risk of losses occurring due to the actions of nations themselves or the environment in which those nations have been placed	Global Risk Management Division periodically aggregates the country risk exposure and discloses it as the outstanding balance of investments, loans and guarantees by major country.
Commodity Price Risks (Specific, Important Product)	Global Risk Management Division (CFO)	Risk of losses occurring due to product market price fluctuations	Set monetary amount limits, quantity limits and period loss limits. Periodically review compliance with those limits.
Credit Risks	Global Risk Management Division (CFO)	Risk of losses occurring due to default on debts in contracts with associated companies	Set credit amounts for each associated company and transaction type. In principle, review the credit amounts annually.
Investment Risks	Global Risk Management Division (CFO)	Risks relating to new investment execution and existing business monitoring and exit decision-making	Make decisions on new investments based on investment standards. Periodically monitor existing investments. Promote asset replacement by applying the EXIT selection standards on investments not worth holding.
Stock Price Risks	Global Risk Management Division (CFO)	Risk of losses occurring due to stock price fluctuations	Periodically grasp and monitor the amount of impact on consolidated shareholder's equity due to stock price fluctuations.
Foreign Exchange Rate Risks	Finance Division (CFO)	Risk of losses occurring due to foreign exchange rate fluctuations	Mitigate risks through hedge transactions using futures exchange contracts and other derivatives.
Interest Rate Risks	Finance Division (CFO)	Risk of losses occurring due to interest rate fluctuations	Mitigate interest rate fluctuation risks by grasping the interest rate mismatch amount.
Financing Risks	Finance Division (CFO)	Risk that it will no longer be possible to raise financing smoothly due to turmoil in the financial markets	Ensure sufficient liquidity by using cash and deposits and commitment lines. At the same time, mitigate risks by diversifying financing sources and methods.
Information System and Security Risks	IT & Digital Strategy Division (CXO)	• Risks relating to non-operation of information systems caused by natural disasters and man-made disasters (terror etc.), computer equipment and network equipment failures, and program, operation and procedure mistakes • Risks relating to information leaks, falsification and destruction due to unauthorized access to information systems from inside and outside the company	• Monitor the application and compliance of information security guidelines and cybersecurity frameworks. • ITOCHU Cyber & Intelligence Inc. strengthens defense systems and raises awareness through training.
Labor Management Risks	Human Resources & General Affairs Division (CAO)	Risks which may occur in labor management (long working hours, unpaid overtime, etc.)	Based on occupational safety and health management, Division Companies and Headquarters human resources and general affairs staff summarize on-site inquiries and reports and then communicate them to the Human Resources and General Affair Division. Appropriately respond in consultation with legal advisors as necessary.
Human Resources Risks	Human Resources & General Affairs Division (CAO)	Risks arising from shortfalls and outflow and securing management and operational human resources	Secure diverse human resources. Continuously develop abilities including by cooperation between ITOCHU and Group companies. Place the right people in the right place by developing a rewarding working environment.
Risks Associated with the Appropriateness of Financial Reporting	General Accounting Control Division (CFO)	Risks relating to securing reliability in financial reporting by preparing and disclosing appropriate financial reports	Appoint a person in charge of collecting information on the new establishment, revision and abolition of accounting standards. Disseminate that information by issuing notifications, and posting on the Intranet and sending emails.
Risks Associated with Internal Control	General Accounting Control Division (CFO)	Risk of incidents and fraud occurring due to employees and officers not performing operations in line with the rules and manuals relating to accounting	Monitor internal control operations.
Environmental and Social Risks	Sustainability Management Division (CAO)	Risks relating to compliance of environmental and social related laws and ordinances and promotion of key issues in sustainability	Plan a system to grasp environmental and social risks in our company and value chains when starting and continuing trades and business investment operations, and to monitor the status of the response to those risks. Monitor in cooperation with other departments as appropriate.

Risk Management

Initiatives

Risk Management Method

We conduct the following management throughout the year to build a PDCA cycle. We periodically move through the risk management cycle. Through these efforts, we are mitigating and preventing increasingly complex and diversifying risks.

1. Plan: The divisions responsible for managing the 18 key risks formulate action plans to prevent and mitigate those risks every year (Reviews of Consolidated Risk Management Action Plans). They then comprehensively identify potential risks. After that, the Internal Control Committee discusses the risks which should be tackled and management policies. The CAO then approves those policies.
2. Do: Take measures based on the management policies by each department responsible for key risks.
3. Check: Compile the status of measures and the following term's action plans every six months. Report the status and action plans to the Internal Control Committee.
4. Action: Take improvement measures and additional measures.

Reviews of Consolidated Risk Management Action Plans

The divisions responsible for the 18 key risks conduct Reviews of Consolidated Risk Management Action Plan semiannually. In this review, each risk-responsible department—for example, those in charge of compliance risk, country risk, and foreign exchange risk—reports on the status of risk management documentation, systems, and action plans, as well as the measures being taken at the individual and subsidiary levels. Global Risk Management Division compiles these reports as the coordinator and submits them to the Internal Control Committee for periodic review of the effectiveness of our management framework. Furthermore, the risk officers responsible for each risk present the review results for each key risk to the Board of Directors.

Training

Executive Risk Management Skills

Our directors and auditors are comprised of individuals who possess risk management experience in both financial and non-financial areas. However, in light of the vast array of internal and external environmental changes and challenges faced by a general trading company, we provide opportunities—for instance, during Board meetings attended by all directors and auditors—to update their knowledge on external information and stakeholder demands that contribute to strengthening company-wide risk management.

Moreover, in order to promote Outside Directors' and Outside Audit & Supervisory Board Members' understanding of risk management and other ITOCHU Group initiatives, Outside Directors and Outside Audit & Supervisory Board Members have regular meetings with the Chairman & CEO and the President & COO; Outside Directors have regular liaison meetings with full-time Audit & Supervisory Board Members; and internal auditing units meet regularly with Outside Directors to report on their activities. Outside Directors and Outside Audit & Supervisory Board Members also meet regularly on an individual basis with Division Company Presidents and Officers in charge of overseeing head office functions. We also hold information sessions for Outside Directors and Outside Audit & Supervisory Board Members to provide opportunities to deepen their understanding of environmental, social, compliance, and various other risks as well as the related risk management systems.

Outside Directors and Outside Audit & Supervisory Board Members also receive pre-briefings before meetings of the Board of Directors, with explanations of individual investment matters that includes not only the investment details but also risk analysis and response; in so doing, we work to ensure that they enter meetings of the Board of the Directors with a full understanding of the relevant risks.

Employees' Risk Management

Additionally, divisions responsible for risk management take the lead annually conducting activities such as informing all employees, including those in managerial positions, about risks that must be addressed and providing training on risk management. In recent years, we have implemented a broad range of training programs—covering everything from basic knowledge of business investments to learning from past failures—for employees at various levels. These sessions are conducted by Global Risk Management Division, by the divisions responsible for each risk, and by the companies themselves. In the case of companies, training tailored to specific industries or products is also provided for relevant stakeholders.

Examples of training programs mandatory for all employees	Credit management training Compliance training	Information security training Sustainability training

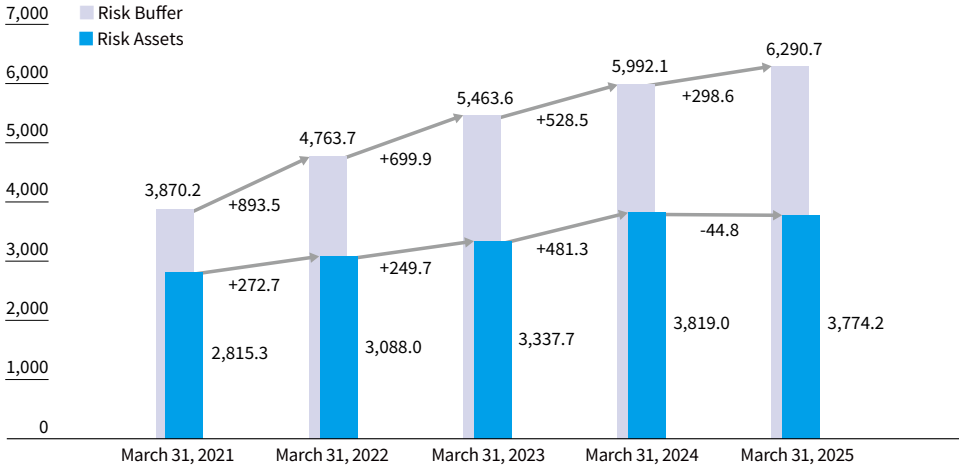
Risk Management

Risk Capital Management*1 and Management of Concentration Risk

Strict Management of Risk Assets

Our basic operational policy involves first calculating risk assets based on the maximum amount of possible future losses from all assets on the balance sheet including investments and all off-balance-sheet transactions. Second, we manage the amount of risk assets within the limits of our risk buffer (Total shareholders' equity + Non-controlling interests). As we promote investments that will lead to evolve existing business moving forward, we will work to maintain risk assets within the limits of our risk buffer, conduct strict risk management, and further strengthen our financial position.

■ **Risk Assets and Risk Buffer*2**



*1 The cost of shareholders' equity set at 8%
*2 Risk Buffer = Total shareholders' equity + Non-controlling interests

Business Investment Management

Fundamental Approach

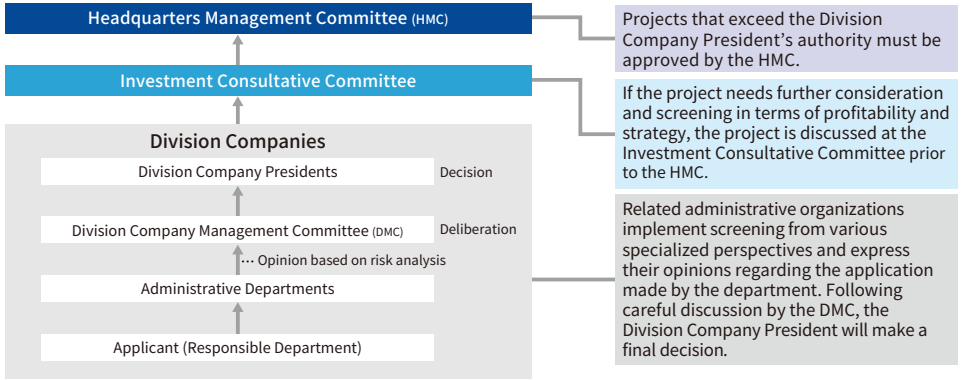
Along with strategic business alliances, business investment is an important means of creating new businesses. To actively promote strategic investments in areas of strength in a timely manner, we choose the optimal structure from a wide range of methods, such as establishing a wholly owned subsidiary, implementing joint investment with partners, and participating in management through M&As or converting to a consolidated subsidiary.

In principle, we hold investments continuously. After making each investment, we work to maximize the investee's corporate value and to expand trading profit and dividends received by fully utilizing our Groupwide capabilities. Given such considerations as larger-scale investments in recent years, we are rigorously screening the appropriateness of the business plan and acquisition price. For existing investments, to increase investment earnings and to exit quickly from low-efficiency assets, we are further strengthening monitoring procedures, centered on instituting more rigorous exit criteria and thoroughly implementing periodic investment review.

■ **Decision-Making Process for New Investments**

A multilayered decision-making process that achieves quick decision-making by giving a certain level of discretion to the Division Companies while striving to pursue investment return and curb investment risk.

Regarding investment risks, the risk appetite is determined by considering factors such as market growth and stability, the impact on our company's performance, and the feasibility of risk management.



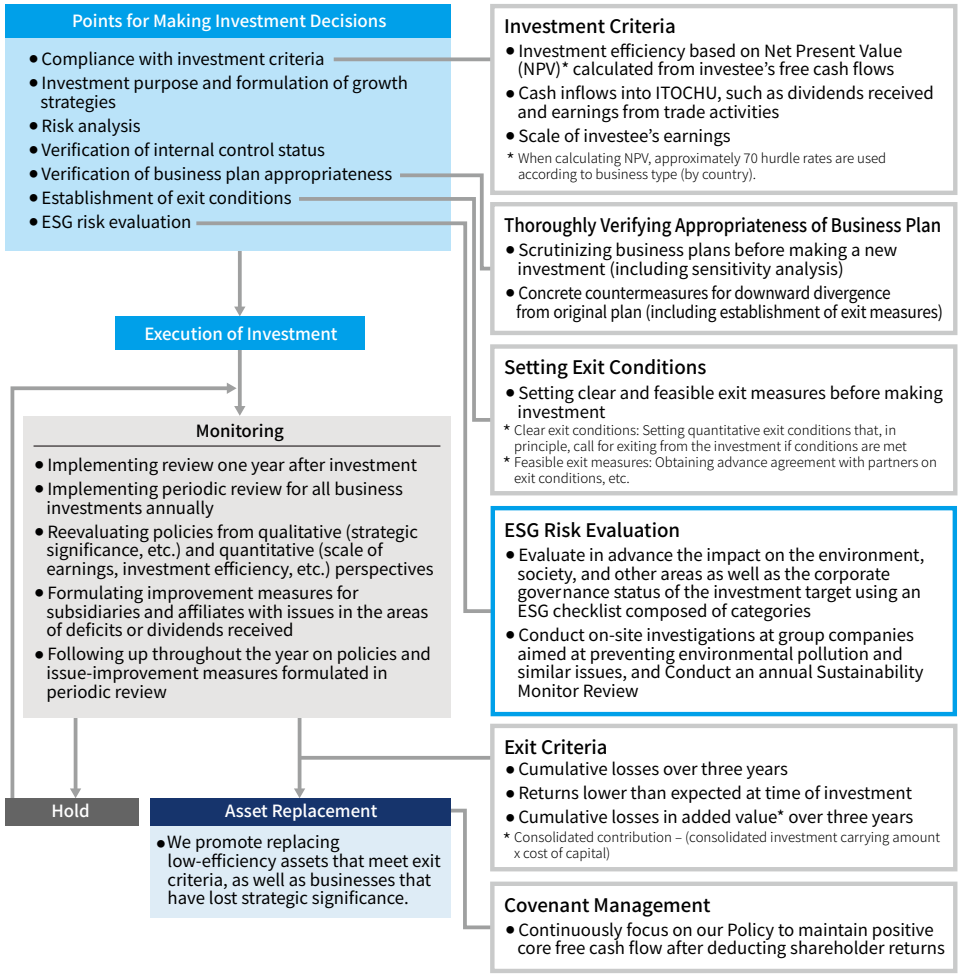
Risk Management

Business Investment Process

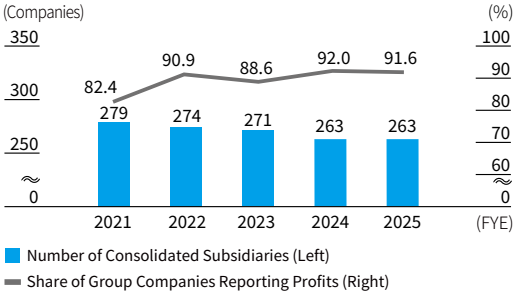
Starting with the impact of COVID-19, the business environment changed dramatically.

Against this background, we steadily implemented strategic investment at the right time and divested businesses which are less efficient or past the peak.

At the same time, we strictly implemented various processes, including the verification of the validity of business plans at the time of investment decisions, and meticulously monitored those decisions after investing. This allowed us to maintain a high ratio of profit-making Group companies at 91.6% in FYE 2025.



Number of Consolidated Subsidiaries and Share of Group Companies Reporting Profits



Business Continuity Plan

Please refer to Business Continuity Plan (P226) in Internal Control System for details.

Risk Management

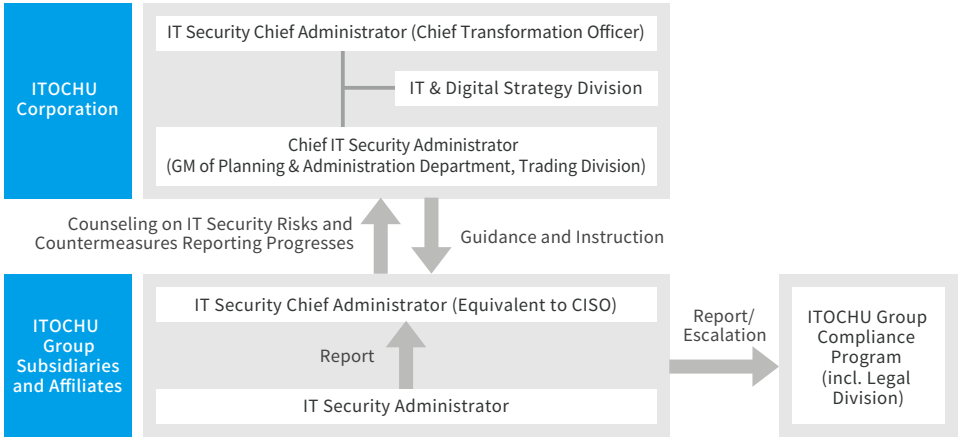
Security Risk Management

Policy and Basic Concept

Protecting our information assets from threats such as loss, alteration, leakage, and unauthorized use and ensuring their proper handling is indispensable for our sustainable growth of our business activities. All internal policies and rules regarding information handling, including the Code of Conduct, must be strictly adhered to by all executives and employees. This commitment has been publicly disclosed as our Information Security Policy (https://www.itochu.co.jp/en/security/index.html). Additionally, when commencing the outsourcing of information system development, maintenance or other related services, it will be verified whether the company/partner meets the requirements established by ITOCHU Corporation. All officers and employees are dedicated to handling, managing, protecting, and maintaining information strictly accordance with our policies.

Structures and Organization

The Chief Transformation Officer (CXO) is appointed as the executive responsible for overseeing IT and digital transformation, information security and cybersecurity strategy. Under the leadership of the CXO, the IT Strategy Committee deliberates not only on comprehensive IT and digital strategies but also on strategic measures related to information security and cybersecurity. In addition, discussions on various policies and regulations, as well as the monitoring of these initiatives, are conducted. These topics and discussions are regularly reported to the Board of Directors, thereby ensuring that the robust information security is maintained.



Name	Chairman	Objectives
IT Strategy Committee	Chief Transformation Officer (CXO)	• Deliberates IT and digital strategy, including information security and cybersecurity

Initiatives

ITOCHU Group leverages IT and digital technologies to drive our business operations. To maintain the robust information security that underpins these operational foundations, we are committed to continuously strengthening our information security through the refinement of policies, the expansion of our infrastructure, and the sustained, effective operation of robust security measures.

ITCCERT (ITOCHU Computer Emergency Readiness, Response & Recovery Team) tirelessly gathers threat intelligence through various resources, this enables us to prevent incidents before they occur and, if any cyber incidents arise, to execute incident response (root cause analysis, developing countermeasures, and restoring services) immediately. The ITOCHU Group Cybersecurity Framework has been rolled out globally since 2022 as our cybersecurity governance framework. Under this framework, each Group company defines its own policies, organizational structure, and processes to further bolster its cybersecurity posture. Furthermore, in February 2023 we founded ITOCHU Cyber & Intelligence Co., Ltd. (ICI). Through ICI, Cybersecurity Countermeasures Program has been delivered to all Group companies, ensuring the framework's sustained and practical operation. As examples of specific measures, we have implemented the following initiatives:

- To assess the security measures of each Group company, Red team exercise are conducted in which security experts, acting as threat actors, simulate cyberattacks simulate cyberattacks.
- Cybersecurity risk assessments and annual compliance verifications against the Information Security Minimum Standard, which consolidates the Group's essential baseline security rules, are conducted each year.

Risk Management

Training

Furthermore, we have instituted a group-wide training program for the education and development of cybersecurity specialists. As a result, compliance breaches, including data leakages, have been limited to only a handful of incidents per year across the Group (two cases in FYE2025). Few companies in Japan have been as proactive in building robust structures and engaging so actively in these efforts. We will continue to advance initiatives that underpin our sustainable growth.

Additionally, the following training activities are conducted regularly to maintain and enhance our information security management posture.

- Phishing email training for all employees (biannual)
- Every three years, an e-learning-based training Information Security Course is provided for all Group-company employees.
- Comprehensive information-security and personal-data-protection briefing are provided at onboarding process. In case there are any policy renewals, updated training programs are delivered to all Group-company employees.
- ITCCERT-led information-security workshops and seminars for ITOCHU Group companies on ad-hoc basis
- An annual drill is conducted to ensure the effectiveness of our business continuity plan (BCP). Third-party cyber-attack simulation exercises are conducted at least once a year.

Lastly, for the appropriate usage and development of generative AI, which has proliferated rapidly in recent years, we have established and are enforcing guidelines that ensure proper information handling, respect for privacy, bias avoidance, and the identification of AI-generated content.

Compliance

Policy and Basic Concept

- All officers and employees are to conduct themselves in accordance with the ITOCHU Group Corporate Mission and the ITOCHU Group Guideline of Conduct based on high ethical values.
- ITOCHU is to designate a representative director as the Chief Officer for Compliance (Member of the Board・CAO) responsible for supervising compliance and also establish the Compliance Committee and a department that oversees all compliance matters. In addition, the “ITOCHU Group Compliance Program” Is to be created to further enhance our compliance system.

Targets and Action Plan

Risks	Opportunities
Occurrence of business continuity risk or unexpected loss resulting from the malfunction of corporate governance or internal control.	Improvement of transparency in decision-making, appropriate response to changes and establishment of a stable basis of growth enabled by the establishment of a firm governance system.

Materiality	SDGs Targets	Impact Classification	Issues to address	Business area	Commitment	Specific approach	Performance indicators	Degree of Progress
Maintain Rigorous Governance Structures		Governance	Ensuring compliance	Compliance	We will make employees more aware that ensuring compliance at any time is our contribution to the company and society.	Recognizing attitude of employees identifying issues and ensuring action plans to address the issues through periodic compliance attitude survey and direct communications.	Continuous direct communication with employees through face-to-face training programs whose contents shall be updated along with monitoring the measures according to risks, expectations from society and issues on site which will change with the time.	• In the period of April - May 2024, “Monitor and Review” of the ITOCHU Group’s compliance system for the FYE 2024 was conducted. This survey covered a total of 434 organizations, including all organizations at the headquarter, all domestic branches, overseas blocks, and ITOCHU Corporation’s Group companies, and their sub-subsidiaries. The purpose of the survey is to understand and promote each organization’s compliance system. • In the period of November 2024 - January 2025, the Legal Department conducted monitoring for the compliance-related incidents where the necessity to confirm the implementation status of their recurrence prevention measures, formulated in the FYE 2024, was high. This monitoring was in addition to the comprehensive monitoring already conducted on the organizations where compliance-related incidents occurred. It is confirmed that these recurrence prevention measures for these cases were generally implemented appropriately. • In the period of January - February 2025, e-learning regarding the “Antimonopoly Act”, “Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors”, and periodical on-site compliance training seminars was simultaneously conducted for all ITOCHU Corporation employees, temporary staffs, and secondees. (Number of the participants:4,340) • The status of our periodical on-site compliance training seminars conducted for domestic group companies including their subsidiaries and affiliates in FYE 2025 is as follows: 89 companies with 18,780 participants

Compliance

Structures and Systems

ITOCHU Group's Compliance System

The ITOCHU Group has a system for compliance through the Compliance Department within the Legal Division. The Compliance Department suggests policies and measures to foster compliance throughout the entire Group and appoints compliance officers in each division within ITOCHU Corporation, overseas offices and major Group companies worldwide (including consolidated subsidiaries and some equity method associated companies; hereafter, the "companies subject to compliance management").

The Compliance Committee is chaired by the CAO, and consists of two external members and the leaders of the relevant administrative divisions and sales divisions as internal members. The Compliance Committee's meetings are held two times a year, in principle. It deliberates on matters related to compliance as a permanent executive committee. The most recent meeting was held on February 18, 2025.

The ITOCHU Group Compliance Program sets out policies to establish compliance systems to enable each division within ITOCHU Corporation, overseas offices and companies subject to compliance management to ensure compliance taking into consideration their business characteristics, operational formats and legal systems in the regions in which they are located. The status of the effectiveness and operation of the compliance system laid out in the Compliance Program is reviewed every year through the monitor and review process considering the recent trends in legislation and society. The results of this monitor and review process are reported to the Compliance Committee for deliberation, along with information about compliance incident trends and other compliance-related matters. The CAO, as the Chief Compliance Officer, reports matters reported to and deliberated by the Compliance Committee to the Board of Directors.

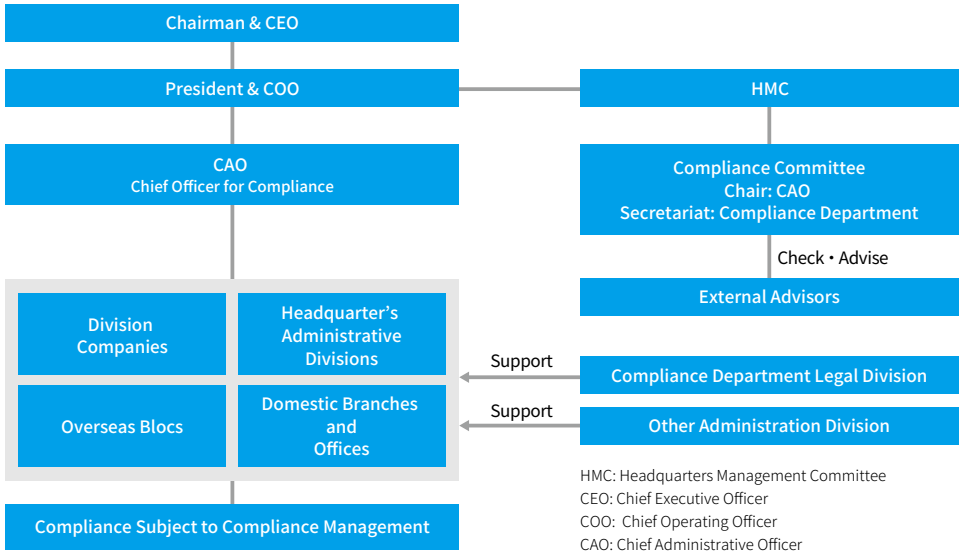
In addition, compliance-related incidents that are discovered within each division of ITOCHU Corporation, overseas offices and the companies subject to compliance management are reported to the CAO and the corporate auditors, and serious compliance-related incidents are reported to the Board of Directors, as appropriate. Directors of ITOCHU Corporation and its Group companies are obligated to report any compliance issues, such as significant violations of laws, regulations, or the Articles of Incorporation, to the Corporate Auditors of their respective companies.

Across the Group, as for key organizations such as overseas offices and companies subject to compliance management, we are implementing activities with a focus on constant improvement and enhancement of our compliance structure. For example, while we focus on in-person training, we have been proactively utilizing on-line training as well to provide training using compliance incidents that have actually occurred in our training materials.

Furthermore, based on our experience with former compliance incidents and the findings of the monitor and review process, we are formulating individual compliance reinforcement measures for each organization, and these measures are steadily being implemented.

In addition, to ensure compliance throughout the Group, ITOCHU Corporation confirms in writing that all employees have complied—and will continue to comply—with laws, regulations, and other rules, at individual performance evaluations each fiscal year.

The Audit Division of ITOCHU Corporation conducts compliance audits to verify whether the ITOCHU Group's compliance system is functioning properly as a part of its periodical audits of each ITOCHU organization (including the Group companies they are responsible for) and overseas blocs to check the status of the development and operation of the compliance system within the organizations and overseas blocs, as appropriate.



Compliance

Internal Reporting System (Hotline)

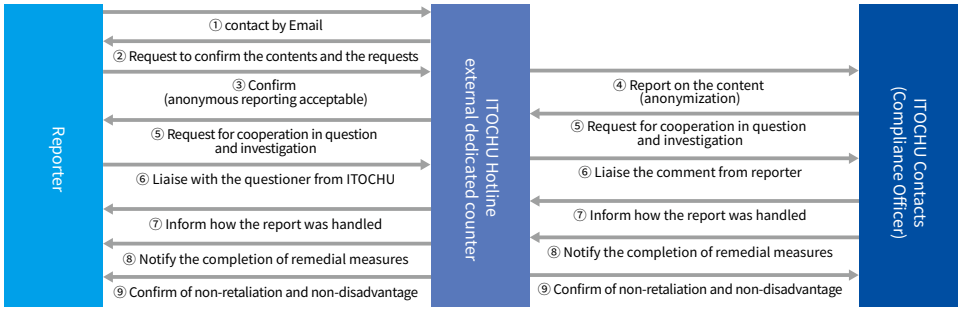
ITOCHU Corporation has formulated Internal Reporting Regulations (also known as a hotline) and instructed the installment of similar hotlines at companies subject to compliance management. In addition to protecting whistleblowers through the hotline, we have defined mechanisms to properly handle the reported cases. This initiative is reinforcing ITOCHU's compliance efforts by supporting the prompt discovery and rectification of any incidents of corruption, including bribery. The status of the operation of the whistleblowing system is reported to the Compliance Committee on a regular basis.

ITOCHU Corporation has established multiple whistleblowing hotlines both in Japan and overseas (including external whistleblowing contacts utilizing dedicated personnel and external lawyers) and accepts reports from the officers and employees of ITOCHU Corporation, workers dispatched to ITOCHU Corporation from companies with which ITOCHU Corporation has entered into worker dispatch contracts (dispatched employees), employees of the Group companies, etc. In addition, it prohibits retaliation and other disadvantageous treatment of whistleblowers and allows whistleblowers to provide information anonymously. We keep the facts and details of whistleblowing strictly confidential and inform the officers and employees of the existence of the hotline and how to use it through the intranet and compliance trainings.

The number of internal reports received by ITOCHU Corporation's whistleblowing hotlines during the past three years are shown in the table below.

	FYE2023	FYE2024	FYE2025
Number of Reports	98	113	126

■ **Flow When Received a Whistleblowing by the Japanese External Report Reception Desk**



Initiatives

Implementation of Compliance Training

ITOCHU Corporation provides ongoing education and training on compliance to ensure that each and every officer and employee understands and complies with applicable laws, regulations, social norms, etc. based on a high ethical standard.

On-Site Compliance Training

We conduct On-Site Compliance Training for all officers and employees of ITOCHU Corporation every year. This training, which is intended to raise compliance awareness and prevent the occurrence of any compliance incidents, uses actual incidents of compliance violations as training materials while also focusing on the following points.

- Raising awareness of compliance with laws that need to be observed in the course of business.
- Raising a awareness of compliance on a wide-range of topics, including Anti-Corruption and Antimonopoly Acts.
- Raising awareness of prevention of human rights violations such as power harassment and sexual harassment.

In FYE2025, ITOCHU Corporation provided e-learning, and 4,340 officers and employees participated in these trainings.

Group companies implemented their own compliance training programs for officers and employees as appropriate for their operational formats, and ITOCHU Corporation also conducted on-site Compliance training sessions for officers and employees of major Group companies in Japan. In FYE2025, 18,780 employees from 89 companies participated in the trainings in the form of in-person training, or webinars or through videos, depending on the individual company's situation.

We have also converted our Compliance Handbook—which provides advice on compliance (in Q&A format) for each potential work setting where employees might face compliance issues and advises what actions to take to prevent such issues—into a digital format, making it available for all ITOCHU Group officers and employees to refer to, even when working from home.

Number of Participants in the On-Site Compliance Training

ITOCHU **4,340** Group Companies **14,440**

Total **18,780**

Compliance

Compliance Awareness Survey

The ITOCHU Group conducts a Compliance Awareness Survey every two years with Group officers and employees, which confirms the level of understanding of the ITOCHU Mission, and assists with the implementation of specific initiatives. In FYE2024, the eighth year of the survey, we conducted a survey of 56,090 Group officers and employees and received responses from 54,938 of them (97.9% response rate). The conclusions drawn from the analysis of the findings are presented as feedback to each organization and reflected in efforts to improve the compliance system. We are planning to conduct our next Compliance Awareness Survey in FYE2026.

Bolstering Measures to Fight Corruption: Policy and Basic Concept

The ITOCHU Group has established the ITOCHU Group Anti-Corruption Policy based on the Corporate Ethics Code of Conduct. It prohibits the provision of money and goods, entertainment, convenience and other profits to public officials and officers and employees of private entities, in Japan or overseas, for the purpose of gaining an illegal advantage.

- The U.S. Foreign Corrupt Practices Act (U.S. FCPA) and the U.K. Bribery Act 2010 are evidence of the global trend towards the tightening of legislation against bribery. In line with this trend, ITOCHU Corporation has strengthened its determination to fight these corrupt practices and strictly operates within the framework of the Regulation Concerning the Prohibition of Giving Illicit Profit and its four related guidelines (i.e., guidelines regarding public officers, foreign public officers, agents and consultants and investment). Accordingly, our internal rules prohibit all employees from giving any improper advantage to Japanese or foreign public officials and civil servants or people in equivalent positions.
- "The Regulation Concerning the Prohibition of Giving Illicit Profit" specifically forbids any payment (regardless of the amount of money) aimed at facilitating ordinary administrative services and any other improper advantages; and commercial bribery, which covers any improper advantage given to business partners in the private sector. Our internal rules also prohibit officers and employees from receiving improper advantages from business partners in the private sector, deeming such acts to be a mix of business with personal affairs (e.g., conflicts of interest).
- "The guidelines regarding public officers and foreign public officers" include guides for decisions and judgments on business entertainment and gift-giving to public officers and foreign public officers, under which we review cases on an individual basis.
- "The guideline regarding business partners" clarifies the process for comprehensive checks and stipulates the process of entering into new contracts and renewals of existing contracts with business partners who will provide services to ITOCHU Corporation (including agents and consultants). Concerning overseas business partners, we use the Corruption Perceptions Index (CPI) published by Transparency International as one of our risk identification criteria. In contracts where there is a possibility of a risk of bribery, including ones with business partners, we include an article prohibiting bribery, setting out the prohibition against improper payments (bribery or the provision of improper advantages) and clearly stating that such contracts may be terminated immediately if the anti-bribery and anti-corruption provisions are breached.
- "The investment guideline" includes specific provisions on the implementation of due diligence and procedures to obtain the confirmation letter from the viewpoint of preventing corruption, which are to be used for deliberations on investment projects.

ITOCHU Group Anti-Corruption Policy

1. **ITOCHU Group Anti-Corruption* Policy**
   The ITOCHU Group ensures the implementation of the compliance principles, that is, legal compliance, and recognizes that it must continue to be an organization with acceptable standards in a modern society. We have no tolerance for any gain obtained through illegal means.
   To address the risk of bribery and corruption, the ITOCHU Group has established rules that cover, among others, application and approval procedures and recording methods. These rules describe behaviors that are commonly found in scenarios where bribery or corruption take place, and instruct the strict observance of those rules. The rules were established based on "Regulations Concerning the Prohibition of Giving Illicit Benefit," as well as four related guidelines about public officers, foreign public officers, business partners, and investments generally.

   [ITOCHU Group Anti-Corruption Policy]
   - No money, entertainment, gifts, or anything of value shall be given to any public or quasi-public official inside or outside of Japan, to obtain illicit gains.
   - No money, entertainment, gifts, or anything of value shall be given to any director, officer or employee of any private entity, to obtain illicit gains.
2. **Requests for All Partners**
   In order for the ITOCHU Group to implement the above anti-corruption policies, the ITOCHU Group requires the cooperation of all of its business partners and investment partners. When engaging with business partners, co-investors and targets of investments (collectively "Partners"), the ITOCHU Group is required by its internal rules to conduct due diligence on, and to enter into contracts containing anti-bribery provisions with such Partners.
   On behalf of the ITOCHU Group we thank you for your understanding and cooperation.

April 1, 2020
Masahiro Okafuji
ITOCHU Corporation
Chairman & Chief Executive Officer

* Corruption: Making use of a position of power or authority for personal profit, including acts such as embezzlement, fraud, and money laundering.

Compliance

- In the training provided to officers, employees and others, we strive to raise awareness and instill an understanding of the ITOCHU Group Anti-Corruption Policy, the Regulation Concerning the Prohibition of Giving Illicit Profit and four related guidelines. We make sure that the regulation and guidelines are reflected in our personnel's daily work to prevent corruption, including the provision of improper advantages. We also provide specialized training on bribery for organizations for which there is a possibility of involvement in businesses or regions where the risk of bribery is particularly high. We also manage our political contributions, charitable activities, and sponsorship activities by referring to internal rules to ensure that they do not constitute corruption, and by following our internally specified routes of application for the approval of donations and sponsorship to ensure that such activities are socially just and meet ethical standards.
- The annual monitor and review process—which is mentioned in the ITOCHU Group's Compliance System above—includes checks on business-related entertainment and gift-giving to both domestic and foreign public officials; as well as on the appointment and renewal of contracts with agents and consultants by organizations within ITOCHU Corporation, overseas offices, and companies subject to compliance management.

Cases of Violation

In FYE2025 there were no cases in which ITOCHU Corporation was accused of acts of corruption, and no fine or administrative penalty charge was paid.

Measures to Fight Collusive Bidding and Cartels

In recent years, there have been many reports of suspected cartel activities in markets around the world. In response, to prevent involvement in any illicit transactions, ITOCHU Corporation has established the Basic Regulations in compliance with, among others, the Antimonopoly Act, and established subordinate regulations consisting of the Standard on Prevention of Cartels and Collusive Bidding, the Guidelines for Compliance with the Antimonopoly Act in Competition Between Multiple Organizations, and the Guidelines on Compliance with the Antimonopoly Act in Relation to Price Pass-Throughs. We have also established an Antimonopoly Act Compliance Manual, and the easy reference documents "A Must-Read! 51 Q&A about the Antimonopoly Act" (the last revision was published in August 2017) and "The 29 Frequent Misunderstandings about the Antimonopoly Act." We also take further measures to ensure that all employees are made aware of the Antimonopoly Act compliance requirements, through the monitor and review process and various training programs as well as the Antimonopoly Act Desk in the Legal Division which was set up to cater to queries from our employees.

Following the four cease and desist orders received from the Japan Fair Trade Commission in FYE2018 and FYE2019, ITOCHU Corporation passed resolutions regarding the matters related to the orders at the Board of Directors meetings and published notifications and thoroughly publicized the contents of the resolutions of the Board of Directors.

TAX

Policy and Basic Concept

ITOCHU Corporation and its subsidiaries ("the ITOCHU Group") have established the ITOCHU Group Tax Policy, which represents its basic attitude and code of conduct towards tax practice, and strive to maintain and improve tax compliance by complying with the Policy. We will commit to fully comply with and follow the significance and spirit of all applicable Tax Rules, not to engage in transactions that are intended to evade taxes such as the selection of unusual formalities that are inconsistent with economic substance, and to make appropriate tax payments.

ITOCHU Group Tax Policy

The ITOCHU Group has established a Basic Policy to comply with all applicable tax laws, rules, regulations, and tax treaties (collectively, "Tax Rules") of each country and region where the ITOCHU Group conducts business. The ITOCHU Group is committed to uphold the interests of all its stakeholders, including all of the local communities in countries and regions where the ITOCHU Group conducts business, as well as the ITOCHU Group's shareholders, creditors, business partners, and employees.

1. **Basic Policy - Compliance with Tax Rules**
   The ITOCHU Group is committed to manage its business operations fully complying with and following the significance and spirit of all applicable Tax Rules, not to engage in transactions that are intended to evade taxes, and to make appropriate tax payments based on income earned from its business activities.
2. **Tax Cost Management**
   In accordance with the Basic Policy, the ITOCHU Group strives to achieve effective tax cost management by eliminating double taxation and utilizing the favorable Tax Rules of each country or region.
3. **Establishing and Maintaining Relationships of Mutual Trust and Fairness with Tax Authorities**
   The ITOCHU Group strives to disclose information in an accurate, timely and appropriate manner to ensure overall transparency of the ITOCHU Group's tax matters and to establish and maintain a relationship of mutual trust and fairness with all tax authorities by making sincere response and engaging in constructive discussions, to ensure proper and fair taxation.

Established in December 2017
Revised in April 2023

Compliance

Structure and System

ITOCHU Corporation's CFO supervises the General Accounting and Control Division of ITOCHU, which is responsible for overall tax management including tax risk management, and oversees the appropriate tax payments. ITOCHU CFO also reports to the Board of Directors on the status of the execution of duties related to tax matters.

Executive Officer in charge: Tsuyoshi Hachimura, Member of the Board, Executive Vice President CFO

In accordance with the ITOCHU Group Tax Policy, the ITOCHU Group sets forth the basic action items to be performed and standards for business operations in the ITOCHU Group Tax Rules, and to appropriately implement the Rules, ITOCHU CFO has been appointed as the person ultimately responsible for Rules throughout the entire group, and General Manager of General Accounting Control Division of ITOCHU has been appointed as the person responsible for the management and the operation of the Rules throughout the entire group. In order for the ITOCHU Group to make appropriate tax payments, each department of the ITOCHU Group, in accordance with the Rules, acquires necessary tax knowledge, considers appropriate tax treatment of transactions, and makes appropriate tax filings.

Measures for Intellectual Property

To prevent infringements on intellectual property rights held by third parties in businesses directly affecting such rights, as well as in the ordinary course of business, ITOCHU implements measures to call attention to the issue by holding seminars for officers and employees and by establishing internal rules, regulations and manuals, that conform to applicable laws and regulations. We also define and apply internal rules to protect employees' inventions and work, and rules for application, renewal, etc. of rights to properly manage and handle intellectual property rights that constitute property of the companies.

Basic Policy on Product Safety

ITOCHU Corporation has prepared a product safety manual for each internal company to assure safety. The manuals are based on its policy of observing obligations stipulated by laws related to the safety of the products it handles, and providing safe and secure products to its customers. We are going to continue with efforts to assure the provision of safe and secure products through in-house education, institution of ad-hoc units assigned to product safety, establishment of information relay routes, and response in the event of product accidents, while revising arrangements in these aspects as necessary.

Measures for Comprehensive Import and Export Control

To ensure appropriate and efficient trading, which is the main pillar of our activities as a general trading company, ITOCHU Corporation is continuously enhancing and improving its import and export controls.

i) In relation to the trade security control, we have developed a strict internal comprehensive trade-security control program ("Trade-Security Control Program") which is intended to comply with the Foreign Exchange and Foreign Trade Act, and to prevent the development of weapons of mass destruction and other weapons and the proliferation of conventional weapons. The Trade-Security Control Program comprehensively covers international political risks such as U.N. and U.S. sanctions, and also involves a stringent review of potential risks related to projects and transactions so that ITOCHU, as a responsible member of the global society, can protect itself from carelessly getting involved in transactions that could threaten international peace and security and any resulting to damage its reputation while complying with the Foreign Exchange and Foreign Trade Act. Additionally, ITOCHU has been given a general bulk license from the Ministry of Economy, Trade and Industry, for our developed and an excellent management export control system.

ii) To conduct appropriate customs procedures for import and export (including import (payment of customs duty) declaration), we conduct internal customs examination (monitoring), provide training for clearing and customs valuation control, and take other measures under the internal control/management provisions and regulations, to ensure full compliance with customs procedures. We have also been providing information in need for developing new businesses, by providing training on Economic Partnership Agreements (EPAs), which is presumed to be used more in the future. These measures have led to the director-general of Yokohama Customs certifying ITOCHU as an Authorized Economic Operator (AEO) (both Authorized Exporter and Authorized Importer), a title given to operators with outstanding compliance systems and security control.

Basic Policy and Efforts against Antisocial Forces

ITOCHU Corporation makes it a basic policy to block any relationship or transaction with anti-social forces that threaten public order and safety. ITOCHU has established and strengthened the internal systems necessary to achieve this by providing education and awareness-raising activities to officers and employees on a regular basis and ensuring prior confirmation that counterparties of transactions do not fall under anti-social forces such as full investigation of new transactions.

Compliance

Insider Trading Regulations

To prevent violations of insider trading regulations by its officers and employees, ITOCHU Corporation has established internal rules regarding the restriction of insider trading and conducts regular training, so as to ensure due compliance with these rules. In particular, we operate the Guidelines regarding the Reporting and Management of Insider Information, for handling important facts obtained from investment portfolio companies and transaction partners / suppliers (or other entities with which ITOCHU has a capital or contractual relationship).

Perspectives on Information Management

ITOCHU Corporation has formulated “Information Security Policy (https://www.itochu.co.jp/en/security/index.html)” to provide guidance for all officers and employees on how to handle information with high security level. In addition, the “Information Management Regulations” for all officers and employees have also been established to set high level of information security, thereby providing a code of conduct to ensure the appropriate management of the information that is necessary in our activities. Specifically, we have established rules and standards regarding personal information management, document management and IT security to protect personal information and other confidential information and prevent their leakage.

Approach to Personal Information Protection

Recognizing that the appropriate management and protection of personal information is one of our responsibilities to society, we have established the “Personal Information Protection Policy.” We have also established the “Personal Information Management Regulations” for all officers and employees to establish rules regarding the appointment of person responsible for the management of personal information and the appropriate acquisition, use, provision, management and disposal of personal information. When any violation of laws or regulations related to personal information protection or company rules is identified, we take strict measures, including disciplinary actions, in accordance with our employment rules.

Furthermore, the ITOCHU Group Compliance Program, determined by the CAO who is the Chief Officer for Compliance, includes guidelines for dealing with the Act on the Protection of Personal Information as supplementary rules for the compliance program, and it stipulates response policies in the event of a leakage or the disclosure of personal information.

Monitor & Review Surveys on Personal Information Management

The ITOCHU Group regularly conducts monitor and review surveys on personal information management of ITOCHU Corporation and companies subject to compliance management, under the supervision of the Corporate Planning & Administration Division, IT & Digital Strategy Division, and the Legal Division. In the twelfth survey, which was conducted in FYE2024, the survey on personal information management systems of ITOCHU Corporation and 136 companies subject to compliance management was conducted from September to December 2023. Based on the results of the checks, we are determined to persist with the activities to encourage continued improvements at ITOCHU Corporation and its Group companies. At the same time, we have established a system and a support system for our operations using the advice and assistance of external lawyers.

Response to Compliance Incidents (Violations)

If any violation of laws, regulations or internal rules, including anti-corruption measures, is discovered or there is a risk of a violation occurring within any of the divisions within ITOCHU Corporation, its overseas offices or the companies subject to compliance management, the compliance officer in that organization will take the lead in addressing the matter, including internal investigations and identification of cause and measures to prevent recurrence, in accordance with the prescribed standards and procedures. Compliance-related incidents are reported to the CAO through the Compliance Department from the time they are discovered until the end of the incident is reported.

In addition, for serious compliance incidents that require consideration from a company-wide perspective, necessary investigations will be conducted at the direction of the CAO or at the request of the Compliance Department to clarify the facts and take appropriate action in accordance with the company regulations.

For officers and employees involved in violations of laws and regulations, including bribery, ITOCHU Corporation will verify whether or not internal disciplinary action is necessary in light of the internal regulations of each company (work rules, etc.) and, if necessary, after consulting and deliberating with related departments and experts inside and outside the company, we will take appropriate disciplinary action in accordance with the standards and procedures set out in the internal regulations.

ITOCHU Corporation considers the need to respond to, report to, and disclose to external parties, and takes appropriate action as necessary.

ITOCHU Corporation did not have any serious compliance violations (including cases related to the handling of customer personal information) requiring external disclosure in FYE2025.

Sustainable Finance

ITOCHU Group, conducting business globally under the spirit of "*Sampo-yoshi*" ("good for the seller, good for the buyer, good for society"), our founding spirit and Corporate Mission, considers that addressing global environmental and social issues is one of the top priorities in its management policy. We contribute to the realization of a sustainable society in order to achieve the goals of the ITOCHU Group Corporate Guideline of Conduct, "I am One with Infinite Missions." Our use of sustainable finance for environmental and social issues aims to make the policy of ITOCHU known to various stakeholders and to further promote SDGs related initiatives.

■ **Examples of Sustainable Finance Execution**

Month of Execution	Contents	Evaluation Agency	Evaluation (at time of implementation)
May 2015	Development Bank of Japan "DBJ Health Management Rating" private placement bond ● Refer to: Press Releases (https://www.itochu.co.jp/en/news/press/2015/150518.html)	Development Bank of Japan	"AA" (Highest Rated)
Mar 2021	USD-Denominated Senior Unsecured SDGs Bonds ● Refer to: Press Releases (https://www.itochu.co.jp/en/news/press/2021/210324.html)	Vigeo Eiris	"Robust" (Good)
Sep 2023	Sumitomo Mitsui Trust Bank Green Loan ● Refer to: Press Releases (https://www.itochu.co.jp/en/csr/news/2023/230929.html)	Japan Credit Rating Agency, Ltd.	"Green1 (F)" (Highest Rated)
Mar 2024	Mizuho Bank "Mizuho Human Capital Management Impact Finance." ● Refer to: Press Releases (https://www.itochu.co.jp/en/news/press/2024/240325.html)	Mizuho Research & Technologies	"AA" (Highest Rated)
Sep 2024	Mizuho Bank "Mizuho Eco Finance"	Mizuho Research & Technologies	—
Dec 2024	The Bank of Fukuoka Green Loan ● Refer to: Press Releases (https://www.itochu.co.jp/en/news/press/2024/241219.html)	Japan Credit Rating Agency, Ltd.	"Green1 (F)" (Highest Rated)
Dec 2024	Sumitomo Mitsui Banking Corporation "SMBC Social Issues Resolution Promotion & Support Loan" ● Refer to: News Releases (https://www.itochu.co.jp/en/news/news/2025/250131.html)	Japan Research Institute, Limited	—

SDGs Bond (Sustainability Bond)

Framework

ITOCHU has established this SDGs Bond Framework in alignment with the Green Bond Principles, 2018, the Social Bond Principles, 2020 and the Sustainability Bond Guidelines, 2018 as administered by the International Capital Market Association (ICMA).

● SDGs Bond Framework (PDF: 524KB) (https://www.itochu.co.jp/en/csr/pdf/sdgs_framework_en.pdf)

Second Party Opinion

ITOCHU has obtained an external evaluation (second party opinion) from Vigeo Eiris (Moody's ESG Solutions) for the conformity of our Framework with principles such as the Sustainability Bond Guidelines.

● Second Party Opinion (Vigeo Eiris) (https://www.itochu.co.jp/en/csr/pdf/sdgs_spo_en.pdf)

Reporting

Fund Allocation Report and Impact Report (May 2022)

Funds raised from SDGs bonds issued in March 2021 USD500M have been allocated to qualified projects in accordance with Section 3.2 of the SDGs Bond Framework. In addition, we calculated the impact on the environment and society of qualified projects to which the funds raised were allocated.

● Fund Allocation Report and Impact Report (PDF: 218KB) (https://www.itochu.co.jp/en/csr/pdf/sdgs_allocation_and_impact_report_en.pdf)

Post-issuance Review (May 2022)

Itochu has obtained a post-issuance review from Moody's ESG Solutions (renamed from Vigeo Eiris) for the fund allocation report and impact report created by us.

● Post-issuance Review (PDF: 2.0MB) (https://www.itochu.co.jp/en/csr/pdf/sdgs_independent_review_en.pdf)

● Click here (https://www.itochu.co.jp/en/news/press/2021/210324.html) for a press release regarding this matter.

Sustainable Finance

Green Loan

Framework

ITOCHU has established this Green Loan Framework in alignment with the Green Loan Principles, 2023 as administered by the Asia Pacific Loan Market Association (APLMA), the Loan Market Association (LMA), and the Loan Syndications and Trading Association (LSTA), as well as the Green Loan Guidelines, 2022 as administered by the Ministry of the Environment of Japan.

- Green Loan Framework (PDF: 451KB) (https://www.itochu.co.jp/en/csr/pdf/green_loan_framework_en.pdf)

Second Party Opinion

ITOCHU has obtained an external evaluation (second party opinion) from Japan Credit Research Agency, Ltd (JCR) for the conformity of our Framework with principles such as the Green Loan Principles.

- Second Party Opinion (JCR) (PDF: 1.5MB) (https://www.itochu.co.jp/en/csr/pdf/external_evaluation_en.pdf)

Reporting

Fund Allocation Report and Impact Report (November 2024)

Funds raised through Green Loan from Sumitomo Mitsui Trust Bank, Ltd. in September 2023 have been allocated to eligible projects in accordance with Section 3.2 of the Green Loan Framework.

- Fund Allocation Report and Impact Report (PDF: 77KB) (https://www.itochu.co.jp/en/csr/pdf/allocation_and_impact_report_en.pdf)

- Click here (https://www.itochu.co.jp/en/csr/news/2023/230929.html) for a press release regarding this matter.

Evaluation by Society

Inclusion in FTSE4Good Index Series / FTSE Blossom Japan Index / FTSE Blossom Japan Sector Relative Index

The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.

The FTSE Blossom Japan Index and FTSE Blossom Japan Sector Relative Index are both broad ESG indices and are adopted by the Government Pension Investment Fund (GPIF) of Japan as a core ESG benchmark for its passive investments.

FTSE4Good

FTSE Blossom Japan

FTSE Blossom Japan Sector Relative Index

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that ITOCHU Corporation has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series, FTSE Blossom Japan Index, and FTSE Blossom Japan Sector Relative Index. Created by the global index provider FTSE Russell, these indices are designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices, and are used by a wide variety of market participants to create and assess responsible investment funds and other products.

Inclusion in MSCI Nihonkabu ESG Select Leaders Index

The MSCI Nihonkabu ESG Select Leaders Index is a free float-adjusted market capitalization-weighted index designed to represent the performance of companies that are selected from the MSCI Nihonkabu Investable Market Index (Parent Index) based on Environmental, Social and Governance (ESG) criteria. These criteria exclude constituents based on involvement in specific business activities, as well as ESG ratings and exposure to ESG controversies. The Index construction has a target coverage of 50% by number of securities in each Global Industry Classification Standard (GICS®) sector of the Parent Index by selecting constituents primarily based on criteria including the ESG rating and the company's industry adjusted ESG score.

We have earned AAA, the highest MSCI ESG Rating, as a first trading company in December 2020, and have maintained this highest rating ever since.

MSCI ESG RATINGS AAA

CCC | B | BB | BBB | A | AA | AAA

2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

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Inclusion in Dow Jones Best-in-Class World Index / Asia Pacific Index (for 12 Consecutive Years)

ITOCHU Corporation has been selected as a component of the Dow Jones Best-in-Class World Index (DJBIC World), the world's leading sustainability index, and the Dow Jones Best-in-Class Asia Pacific Index (DJSI Asia Pacific), which covers the Asia-Pacific region, for the 12th consecutive year.

The DJBIC (known as DJSI prior to February 10, 2025) selects stocks for inclusion based on S&P Global's Corporate Sustainability Assessment, which evaluates and analyzes companies from three perspectives: economy, environment, and society. As an international benchmark for measuring corporate sustainability performance, the DJBIC index series is considered to have a significant influence on corporate behavior.

Evaluation by Society

Achieved Top 1% Industry Ranking in the S&P Global Sustainability Yearbook 2025

Based on the results of the Corporate Sustainability Assessment (CSA) conducted by S&P Global, which evaluates corporate sustainability initiatives, ITOCHU Corporation achieved a Top 1% score in the Trading Companies & Distributors sector and was featured in the Sustainability Yearbook 2025. (As of February 2025)



Inclusion in Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)

Built with the data and scoring methodology of Equileap, GenDi J is designed to emphasize the stocks of companies that have strong gender diversity policies embedded in their corporate culture and that ensure equal opportunities to employees, irrespective of their gender. (As of April 2025)

MORNINGSTAR GenDi J
Japan ex-REIT Gender Diversity Tilt Index
TOP CONSTITUENT 2025

Morningstar, Inc., and/or one of its affiliated companies (individually and collectively, "Morningstar") has authorized Itochu Corporation to use of the Morningstar® Japan ex-REIT Gender Diversity Tilt Logo ("Logo") to reflect the fact that, for the designated ranking year, Itochu Corporation ranks within the top group of companies comprising the Morningstar® Japan ex-REIT Gender Diversity Tilt Index℠ ("Index") on the issue of gender diversity in the workplace. Morningstar is making the Logo available for use by Itochu Corporation solely for informational purposes. Itochu Corporation's use of the Logo should not be construed as an endorsement by Morningstar of Itochu Corporation or as a recommendation, offer or solicitation to purchase, sell or underwrite any security associated with Itochu Corporation. The Index is designed to reflect gender diversity in the workplace in Japan, but Morningstar does not guarantee the accuracy, completeness or timeliness of the Index or any data included in it. Morningstar makes no express or implied warranties regarding the Index or the Logo, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the Index, any data included in it or the Logo. Without limiting any of the foregoing, in no event shall Morningstar or any of its third-party content providers have any liability for any damages (whether direct or indirect), arising from any party's use or reliance on the Index or the Logo, even if Morningstar is notified of the possibility of such damages. The Morningstar name, Index name and the Logo are the trademarks or services marks of Morningstar, Inc. Past performance is no guarantee of future results.

Inclusion in S&P/JPX Carbon Efficient Index

The S&P/JPX Carbon Efficient Index is a global environmental stock index adopted by Government Pension Investment Fund (GPIF). Using TOPIX as the universe, this index of S&P Dow Jones Indices, the world's leading independent index provider, overweights companies that have high carbon efficiency within their industry as calculated by Trucost on a market value basis and companies that disclose information on greenhouse gas emissions (As of April 2025).

S&P/JPX Carbon Efficient Index

CDP

- **CDP Climate Change**
  CDP Climate Change evaluates corporate action on climate change. In FYE 2025, we scored a B.
- **CDP Water**
  CDP Water evaluates corporate efforts related to water stewardship. In FYE 2025, we scored a A-.
- **CDP Supplier Engagement Rating (SER)**
  CDP SER evaluates the performance of the CDP Climate Change Questionnaire on governance, targets, Scope 3 emissions, and value chain engagement. In FYE 2025, we scored A.

CDP
DRIVING SUSTAINABLE ECONOMIES

Our company's latest answers to CDP Questionnaire 2024 for climate change, water security, and forests: https://www.itochu.co.jp/en/csr/pdf/cdp_questionnaire_2024.pdf

Evaluation by Society

Inclusion in SOMPO Sustainability Index (for 13 Consecutive Years)

This index is used as a unique active index in “SOMPO Sustainable Management,” for pension funds and institutional investors, which invests widely in ESG-rated companies that SOMPO Asset Management Co., Ltd. started operation in August 2012.

Bronze Award in the Environmentally Sustainable Company Category, the Ministry of Environment’s 6th ESG Finance Awards Japan

The purpose of this award is to recognize the initiatives of institutional investors, financial institutions, intermediaries, and companies that have made an impact through their proactive efforts in ESG finance or environmental and social business, and to widely publicize these results in order to promote and expand ESG finance.

In the Environmentally Sustainable Company category, our corporate information disclosures were evaluated relative to a variety of operating companies. ITOCHU received the award in recognition of its approach to the decarbonization trend as a business opportunity and its commitment to the clean-tech business.

Grand Prize, the Sustainability category of the Internet IR Awards by Daiwa Investor Relations

This award by Daiwa Investor Relations evaluates the websites of Japanese listed companies. ITOCHU received the top award for our basic policies, approach to social issues, organization, quantitative data, and more in the six main areas of the sustainability category: website, overall policy, environment, society, governance, and support.

Ranked No. 1 in all industries in Gomez ESG Site Rankings 2024 (for 4 Consecutive Years)

The high recognition was given to our ESG information in the evaluation of listed companies for information adequacy of websites on Sustainability. ITOCHU was selected on top of the List of Superior Companies.

The survey process consists of five categories: 1) website ease of use, 2) overall ESG information, 3) Environmental (E) information, 4) Social (S) information, and 5) Governance (G) information. Evaluation criteria are set to assume the use of information by not only shareholders and investors, but a wide range of stakeholders.

Diversity

FYE 2024 Nadeshiko Brand

The aim is to promote investment in companies and to accelerate the pace of initiatives by each company. The initiative introduces listed companies excellent in empowering women as attractive brands for investors who emphasize improving corporate value over the mid-to-long term to achieve that aim. (Selected in 2024 / Ministry of Economy, Trade and Industry and Tokyo Stock Exchange)

Diversity

FYE 2025 Next Nadeshiko: Companies Supporting Dual Careers and Co-parenting

An Award that selects outstanding listed companies excelling in gender-inclusive work-life balance support(Ministry of Economy, Trade and Industry・Tokyo Stock Exchange).

Evaluation by Society

Diversity

FYE 2025 Tokyo Metropolitan Government Women's Participation Promotion Award (Corporate Category) Excellence Award

Organizations, companies, and individuals that have made outstanding efforts to promote women's empowerment are recognized with the "Tokyo Women's Empowerment Promotion Award" (selected in FYE 2025 / Tokyo)

Diversity

Ministerial Award for Women Empowering Companies 2020

The award promotes a work environment where women can actively participate and is given to companies that have made distinguished achievements in terms of policy, initiatives and performance related to the promotion of women to executives and managerial positions, and the disclosure of information about them. (Awarded in 2020 / Cabinet Office)

Diversity

New Diversity Management Selection 100

A project for selecting excellent companies that provide diverse human resources with opportunities and an environment for exercising their potential. (Selected in 2016 / Ministry of Economy, Trade and Industry)

Diversity

Eruboshi Certification (Stage 2)

This is a system to certify companies with an excellent record of promoting the success of women in the workplace (Acquired in 2016 / Ministry of Health, Labour and Welfare)

Diversity

Platinum Kurumin Authorization

Companies making excellent initiatives to provide employees with support at work as well as with childcare receive approval to display the Platinum Kurumin Authorization mark. (Received in 2016 / Ministry of Health, Labour and Welfare)

Diversity

2017 Award for Excellence from the Minister of Health, Labour and Welfare for "Excellent Equal Opportunity/Work and Family-Life Balance Companies" ("Family-friendly Companies" Category)

A program recognizing companies that promote exemplary programs with an equal emphasis on work and childcare/nursing care. (Selected in 2017 / Ministry of Health, Labour and Welfare)

○ファミリー・フレンドリー企業部門
平成29年度

Evaluation by Society

Occupational Safety and Health Management

Health and Productivity Stock 2025
Health & Productivity Management Outstanding Organization (White 500)

Selects companies engaged in strategically carrying out initiatives with regard to employee health from a management perspective (Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE))

* Selected as a White 500 company nine years in a row from FYE 2017

Occupational Safety and Health Management

Award for Companies Promoting Cancer Control in the Action Plan for Promotion of Cancer Control, sponsored by the Ministry of Health, Labour and Welfare (Selected in 2018)
Cancer Prevention Promotion Partner Award “Screening Category” (selected in 2023).
Company with Outstanding Cancer Control Promotion (Selected three years in a row from 2023)

This program recognizes companies that are proactive in taking cancer control measures and which are engaged in comprehensive, advanced cancer control measures. (Ministry of Health, Labour and Welfare)

Occupational Safety and Health Management

Tokyo Metropolitan Government award commending companies which implement superior initiatives to help cancer patients balance cancer treatment and work

This program recognizes companies that implement superior initiative to help employees with cancer balance treatment with work. (Selected in February 2018 / Tokyo Metropolitan Government)

Occupational Safety and Health Management

The Best Practice Enterprise

These awards are held once a year to select just one company in each prefecture as The Best Practice Enterprise that is working proactively to reduce long working hours as a part of the overwork elimination campaign. (November 2017 / Tokyo Labor Bureau)

Occupational Safety and Health Management

Nihon no Jinjibu HR Awards 2018
Award of Excellence in the Corporate Human Resources Category

This is an award system that honors innovators in fields such as human resources, personnel development and labor management. (November 2018)

Occupational Safety and Health Management

1st gan-ally-bu Awards

These awards were established to realize workplaces and a society where it is possible for cancer patients to work actively while receiving care. They were established by the gan-ally-bu private sector project working on the problem of cancer and employment in which employees work while receiving cancer care. (October 2018)

Independent Assurance Report

KPMG

Independent Practitioner's Limited Assurance Report

To the President & Chief Operating Officer of ITOCHU Corporation

Conclusion

We have performed a limited assurance engagement on whether selected environmental and social performance indicators (the "subject matter information" or the "SMI") presented in ITOCHU Corporation's (the "Company") ESG Report 2025 (the "Report") as of March 1, 2025 and March 31, 2025 and for the year ended March 31, 2025 have been prepared in accordance with the criteria (the "Criteria"), which are established by the Company and are explained in the Report. The SMI subject to the assurance engagement is indicated in the Report with the symbol "★".

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's SMI as of March 1, 2025 and March 31, 2025 and for the year ended March 31, 2025 is not prepared, in all material respects, in accordance with the Criteria.

Basis for Conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, and International Standard on Assurance Engagements (ISAE) 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

Our conclusion on the SMI does not extend to any other information that accompanies or contains the SMI (hereafter referred to as "other information"). We have read the other information but have not performed any procedures with respect to the other information.

Responsibilities for the SMI

Management of the Company are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation of the SMI that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the SMI and appropriately referring to or describing the criteria used; and
- preparing the SMI in accordance with the Criteria.

Inherent limitations in preparing the SMI

As described in Notes on GHG Emissions included in ESG Data (Environment) to the Report, GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials. Hence, the selection by management of a different but acceptable measurement method, activity data, emission factors, and relevant assumptions or parameters could have resulted in materially different amounts being reported.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the management.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the SMI and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- assessing the suitability of the criteria applied to prepare the SMI;
- conducting interviews with the relevant personnel of the Company to obtain an understanding of the key processes, relevant systems and controls in place over the preparation of the SMI;
- performing analytical procedures including trend analysis;
- identifying and assessing the risks of material misstatements;
- evaluating whether the Company's process for developing estimates as well as its use of data, selection of the methods and assumptions were appropriate;
- performing a site visit at the Yamaji Factory of ITOCHU CERATECH Corporation which was determined through our risk assessment procedures;
- performing, on a sample basis, recalculation of amounts presented as part of the SMI;
- performing other evidence gathering procedures for selected samples; and
- evaluating whether the SMI was presented in accordance with the Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Kazuhiko Saito

Kazuhiko Saito, Engagement Partner
KPMG AZSA Sustainability Co., Ltd.
Tokyo Office, Japan
September 22, 2025

Message from the Sustainability Management Division

We would like to express our deep appreciation to the readers of ESG Report 2025.

Our division seeks to improve sustainability at ITOCHU Group, including through consideration of responses to climate change and natural capital, increasingly sophisticated human rights due diligence, cooperation with suppliers, and collaboration with local communities.

We also undertake timely and transparent disclosure of key ESG (environmental, social, and governance) related information, with the goal of living up to the trust placed in us by a wide range of stakeholders and further enhancing our corporate brand value.



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