Chairman & CEO

Creating Next-Generation Earnings through Growth Investments that Address Social Issues

In FY2025, ITOCHU Corporation achieved a record consolidated net profit of 900.3 billion yen. This was the product of expanded revenue in our non-resource businesses together with our steady accumulation of investment results. However, I feel we cannot rest on our laurels. As resource prices surged amidst tensions in the Middle East, I was painfully aware of the rise in market capitalizations of other general trading companies with higher ratios of resource investments.

ITOCHU has built a solid position as the top trading company in the non-resource field, but there is still much to do. Putting aside the question of resource or non-resource businesses, we must make comprehensive efforts to achieve new earnings based on the idea that there is no growth without investment, relying not on tailwinds from the external environment but on our own wisdom and hard work. This will allow us to achieve further growth and enhanced corporate brand value.

I have often referred to the "earn, cut, prevent" principle as a core foundation for business. The "prevent" aspect is clearly represented in addressing social issues such as climate change, human rights, and supply chain disruptions, but we are not simply seeking to avoid risks as a defensive stance. To achieve our goals in addressing social issues, we have consistently prioritized our management resources—in other words, investment and human capital, taking the initiative in sustainability and addressing issues on the ground. Around the globe, we are expanding these efforts into growth areas and fields directly linked to solving social issues. Whether for new or existing projects, we emphasize heading to the front-lines to see and hear the situation for ourselves; the accumulated results of swift action have driven our corporate value and sustainable growth. This leads to new business opportunities and creates next-generation earnings.

For example, our large-scale energy-from-waste project in the Republic of Serbia converts accumulated waste, a long-standing issue, into energy, making a major contribution to the local power supply, the reduction of greenhouse gas emissions, and the creation of a circulating society. This project is directly linked not only to sustained business (the "earn" aspect) but also to addressing environmental, household, and social issues faced by the local community (the "prevent" aspect). Proper waste management and the creation of renewable energy enhance local sustainability and secure the health, employment, and living environment for residents. Advanced sustainability management benefits not only ITOCHU but contributes to all stakeholders and to a better future for the community.

Another important focus is investment in people, ITOCHU's greatest asset. Our efficient management and small but select workforce are undergirded by the merchant spirit of each of our employees. To accurately grasp the market's rapidly changing needs, diverse front-line perspectives are key. We therefore prioritize and implement initiatives like our Morning-Focused Working System as part of our diversity and health management efforts to ensure employees can always perform at their best. These initiatives promote well-being, help maximize the value of our human capital, and enhance our corporate brand value. Investing in people will continue to be our biggest growth strategy going forward.

No matter how times change, ITOCHU will remain focused on the front-lines, assessing the situation directly and developing our business both flexibly and decisively. In the spirit of "*Sampo-yoshi*" (good for the seller, good for the buyer, and good for society), we will accelerate our sustainability management through growth investments, seeking sustainable growth and enhanced corporate value together with all of our stakeholders. We look forward to sharing the results of these efforts with you.

July 2026
Masahiro Okafuji
Member of the Board
Chairman & Chief Executive Officer