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.

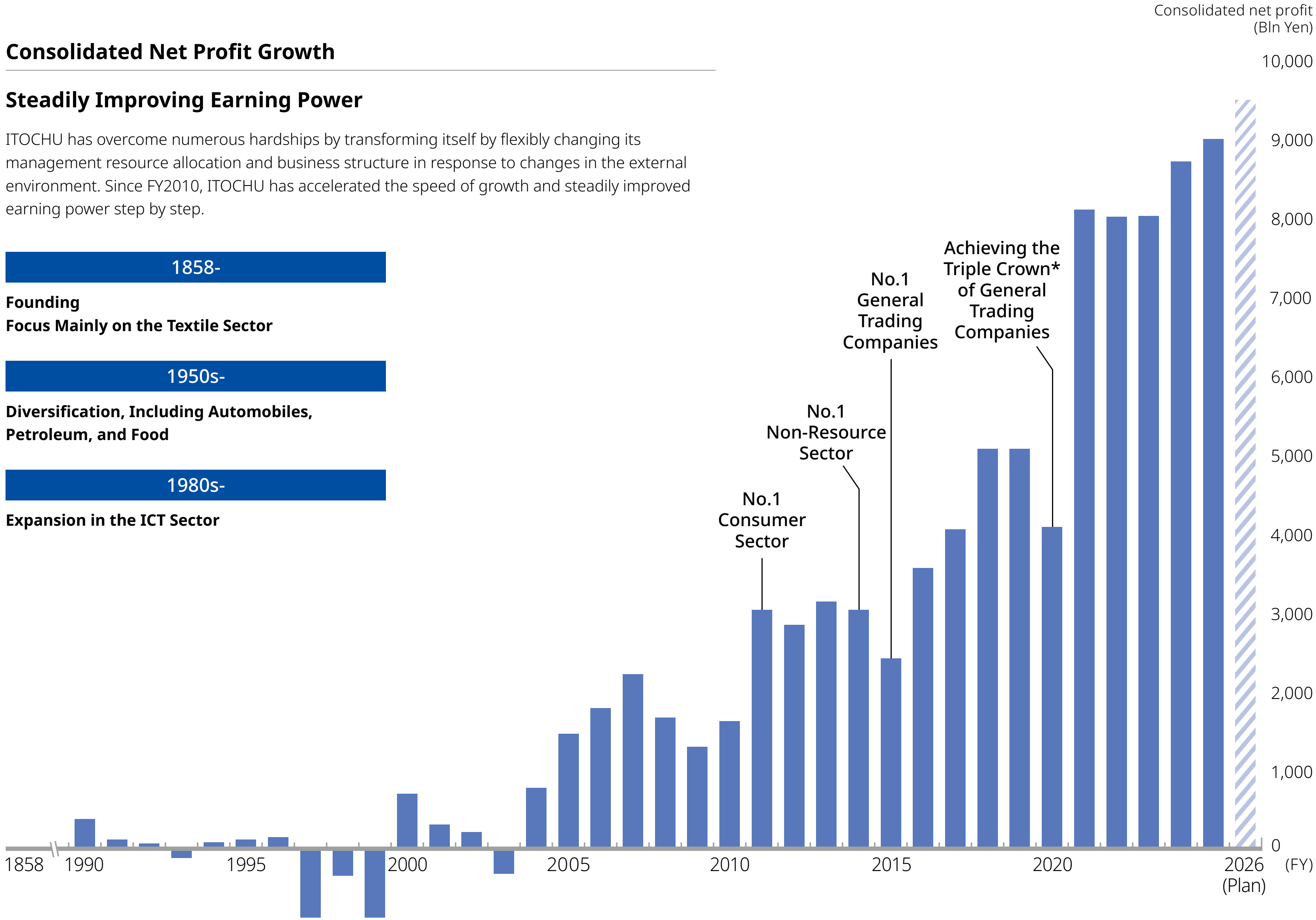
ICT & Financial Business
Creating and expanding new markets by utilizing business development functions based on ICT and BPO along with customer networks.

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 FY2010, 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

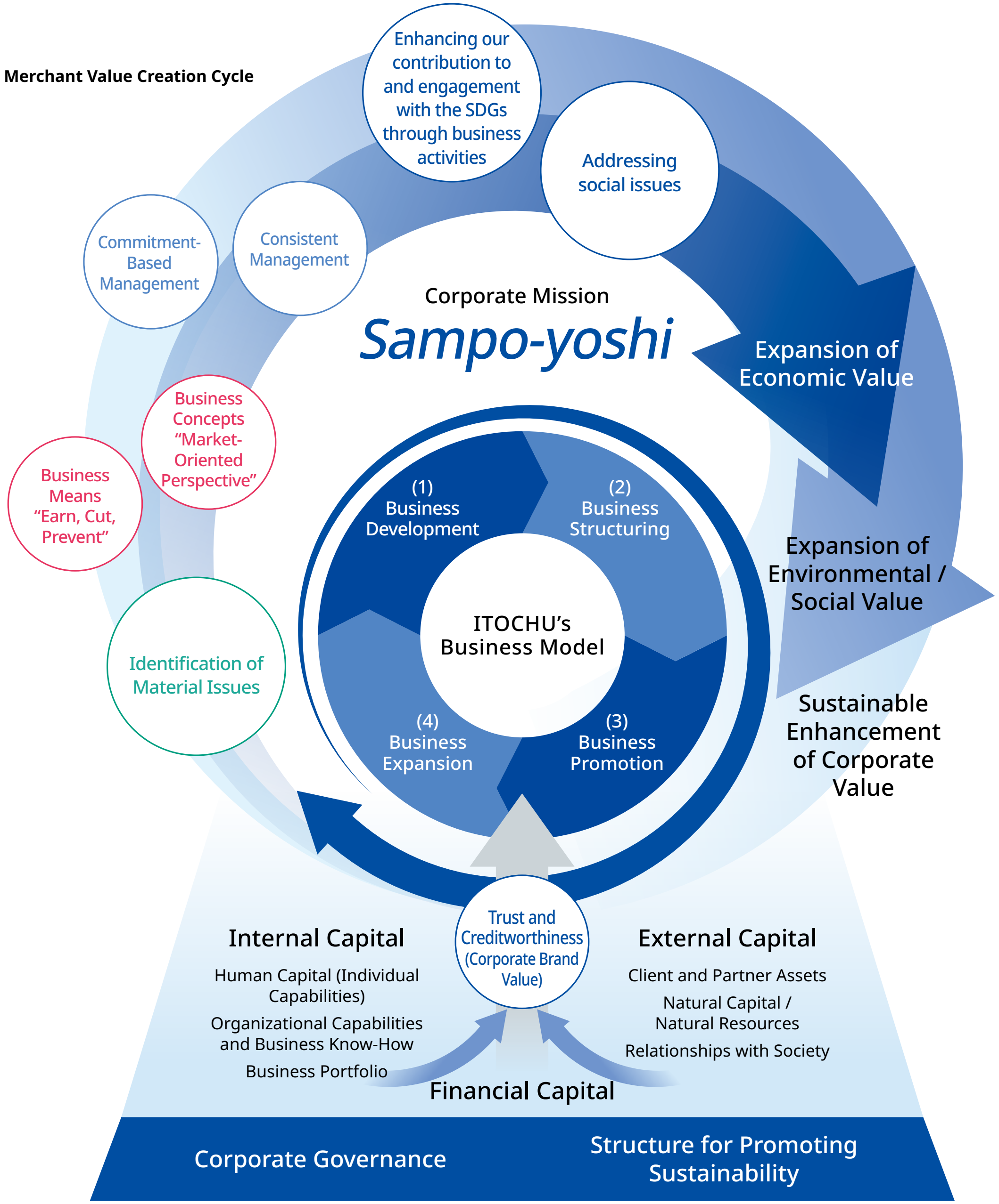
Sampo-yoshi Capitalism and The Merchant Value Creation Cycle

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.

Tomokuni Nishiguchi
Member of the Board
Senior Executive Officer
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.

- Sustainable Development Goals (SDGs)*
- The Ten Principles of the United Nations Global Compact
- International Covenants on Human Rights
- United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)
- Basic Principles on the Use of Force and Firearms by Law Enforcement Officials
- Keidanren: Charter of Corporate Behavior, Global Environment Charter
- Japan Foreign Trade Council: Trading Companies' Corporate Environmental Code of Conduct, Supply Chain CSR Action Guidelines, Long-term Vision for Climate Change Measures
- IFRS ISSB S1, S2 (including former IIRC)
- SASB Standards (Sustainability Accounting Standards Board)
- CSRD ESRS (European Sustainability Reporting Standards)
- ISO26000 (Social Responsibility)
- TCFD Recommendations
- The Paris Agreement (COP21)
- Universal Declaration of Human Rights (UDHR)
- UN Guiding Principles on Business and Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- OECD Guidelines for Multinational Enterprises
- GRI Standards
- SSBJ Standards (Sustainability Standards Board of Japan)
- The Environmental Reporting Guidelines issued by the Ministry of the Environment
- ISO14001 (Environmental Management System)
- TNFD Recommendations

*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 higher Progressive Dividend

Built a "corporate brand" through high external evaluations based on the accumulation of innovative initiatives, creating a synergy effect with 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
- Strengthening dialogue with stakeholders
- Enhancing our contribution to and engagement with the SDGs through business activities

Policy & Basic Approach

Material Issues

ITOCHU puts 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. Our 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 (P21)
- Sustainability Action Plans (P28)

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 FY2025, we confirmed that no changes are necessary at this time.

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

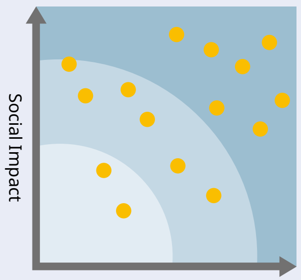
Step 1 Identification of Issues

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

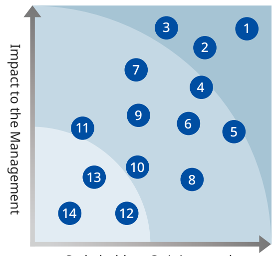
Each of ITOCHU's Division Companies determined the risks, opportunities and success indicators for their business activities. Concerning risks and opportunities by internal and external stakeholders, Business Impact and Social Impact of dozens of materiality candidates were examined from a medium- to 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 ISSB and SSBJ disclosure standards, 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

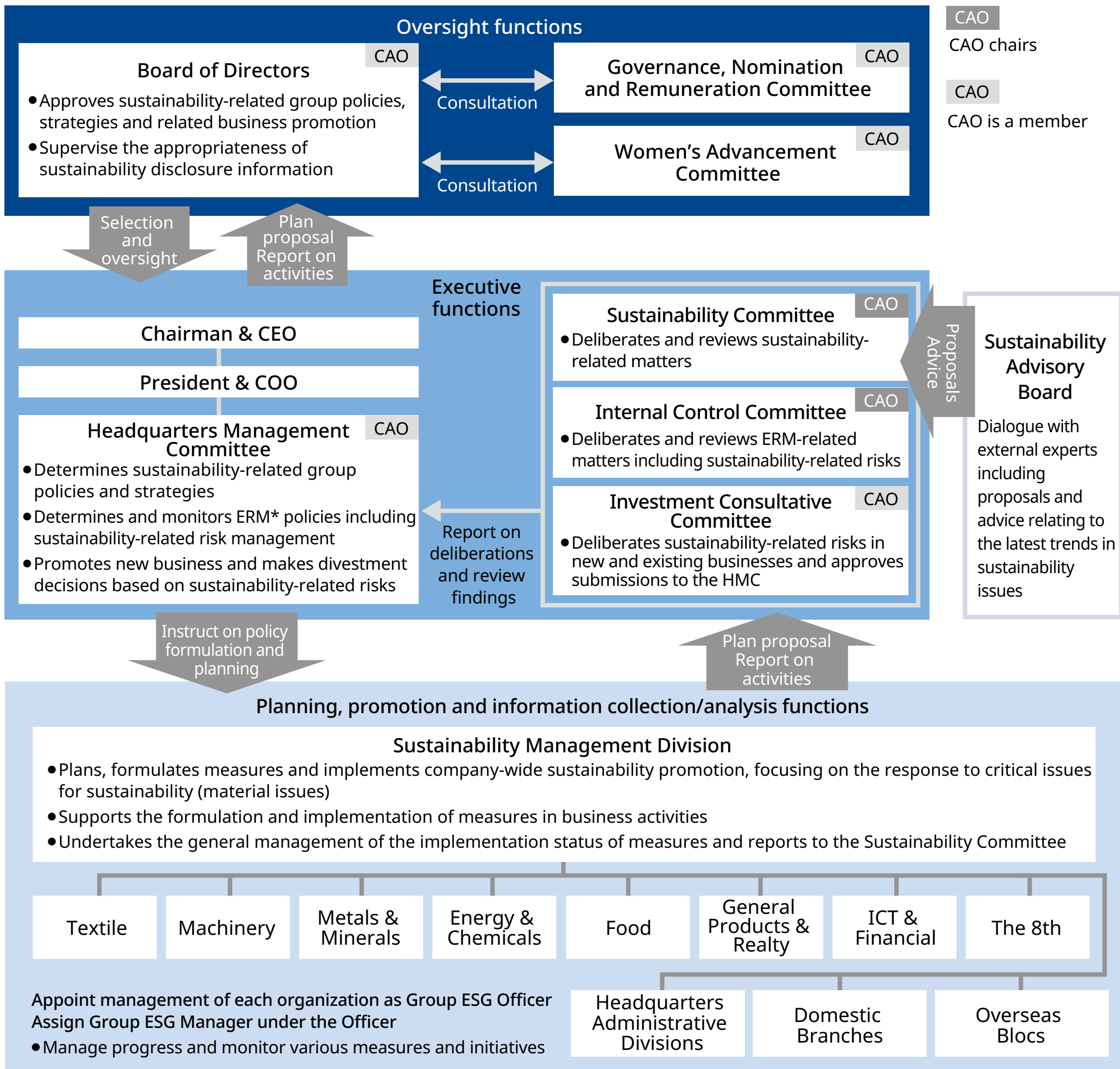
Organization and Systems

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 both the impact our company has on the environment and society and the impact of changes in the environment and society on our company by reporting regularly to the Board of Directors to brief them on our promotion of sustainability.

We furthermore engage in dialogue with institutional investors and 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 19, 2026)**



*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, progress management, and 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.

FY2025 Sustainability-related Deliberations and Reports

(Department name at that time)

Board of Directors	
Members	**Number of Meetings Held**
Directors and Audit & Supervisory Board members	4
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	3
Main items for approval/deliberation/report	
Items for Approval • Disclosure of sustainability-related information in Annual Securities Report • Revision of Environmental Policy **Matters to be Reported** • Confirmation of Material Issues • Review of Sustainability Action Plans • Results of ITOCHU Group Sustainability Monitoring Reviews • Reports on progress of GHG emissions and avoided emissions • Formulation of new targets for water and waste management • ISO14001 environmental management reviews	

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 2025

In FY2025, we welcomed three experts to discuss the theme of "The ESG Investment Environment and Enhancing Corporate Valuen" in a meeting of the Sustainability Advisory Board we held in February 2026. First, we introduced our approach to ESG management and Sustainable Finance, as well as the challenges we face.

Next, we received lectures from experts, each offering insights from their respective perspectives. Mr. Tomita from the Institute for Sustainability Management spoke about the historical evolution of sustainability and ESG, international trends, and the importance of agile responses required in corporate management.

Mr. Komori, a member of the ISSB Board at the IFRS Foundation, discussed the significance of disclosing sustainability-related financial information under ISSB standards, as well as key points for providing meaningful disclosures linked to corporate strategy.

Ms. Takaba of AIGCC delivered a lecture on the latest trends in climate change measures expected of companies from an investor's perspective, along with relevant evaluation frameworks.

Meeting of the Sustainability Advisory Board 2025

(From left) Ms. Takaba from AIGCC, Mr. Komori from ISSB, Mr. Tomita from Institute for Sustainability Management

In 2025, we observed a diversification of corporate responses to ESG, amid developments such as the acceleration of anti-ESG movements and adjustments to sustainability disclosure regulations in Europe. Notably, in the United States, even companies with strong ESG records sometimes scaled back their sustainability disclosures, while in Japan, many companies continued to strengthen their initiatives and information disclosure. Through discussions at the Advisory Board meeting, it was reaffirmed that corporate efforts in environment, social, and governance areas have become firmly rooted at the regulatory level, and that investors' expectations for new initiatives and enhanced disclosure by companies remain robust. ITOCHU Group will continue to address a wide range of sustainability challenges such as climate change and human rights through our core business activities, and we remain committed to transparently communicating our progress to all stakeholders.

Summary of Past Activities

(Job Titles at the Time)

FY2025	**The ESG Investment Environment and Enhancing Corporate Value**	
	Advisory Board Members	
	● Mr. Hiroshi Komori	Member, International Sustainability Standards Board IFRS Foundation
	● Mr. Hidemi Tomita	CEO, Institute for Sustainability Management
	● Ms. Minako Takaba	Country Head - Japan, Asia Investor Group on Climate Change
	ITOCHU Members	
	● Fumihiko Kobayashi	Representative Director, Executive Vice President, CAO
	● Toshio Okudera	General Manager, Machinery Corporate Planning Dept.
	● Kotaro Suzuki	General Manager, Metals & Minerals Corporate Planning Dept.
	● Tatsuya Tanaka	General Manager, Energy & Chemicals Corporate Planning Dept.
	● Kazushi Ogura	General Manager, General Products & Realty Corporate Planning Dept.
	● Tetsuya Asano	General Manager, ICT & Financial Management Corporate Planning Dept.
	● Toru Oka	General Manager, The 8th Corporate Planning Office
	● Akira Yoshikoshi	Textile Business Planning Dept.
	● Tetsushi Kamezaki	Food Business Planning Dept.
	● Toshiyuki Kakimi	Senior Operating Offices, General Manager, Human Resources & General Affairs Division
	● Kenichiro Soma	General Manager, Finance Division
	● Shinji Furuko	Deputy General Manager, General Accounting Control Division
	● Hiroki Kato	Deputy General Manager, Investor Relations Dept.
	● Yoshihito Tabe	Director, Sustainability Management Division (Moderator)
FY2024	**Supplier Engagement to Reduce GHG Emissions**	
	Advisory Board Members	
	● Mr. Mitsuhiro Nishida	Director, GX Investment Promotion Division, GX Group, METI
	● Mr. Naoyuki Yamagishi	Director, Nature Conservation Office, World Wide Fund for Nature Japan
	● Mr. Hidemi Tomita	CEO, Institute for Sustainability Management
FY2023	**Natural Capital･Biodiversity･TNFD**	
	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.
FY2022	**Supply Chains and Human Rights**	
	External Lecturer	
	● Mr. Ken Toyoda	Director for Business and Human Rights Policy, Ministry of Economy, Trade and Industry
	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
FY2021	**Carbon Credits**	
	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.

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 our initiatives, policies, and measures in response to these trends. In addition, the opinions and level of understanding received from the questionnaire conducted at the end of the course are utilized in the next year's training.

	Theme	Participation
FY2025	CAO Message, Management Policy and sustainability, Addressing Environmental and Social Risks, Enhancing Corporate Value through Social Contribution Activities, Mandatory Disclosure of Sustainability-Related Financial Information	100%
FY2024	CAO Message, Management Policy and sustainability, GHG emissions reduction targets and avoided emissions, Environmental and social risk response, (Topic) Natural capital	100%
FY2023	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%
FY2022	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%
FY2021	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%

Sustainability Seminars

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

In FY2024, we invited Ms. 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.

In FY2025, we invited Ms. Yamori, Chief Operating Officer / Partner at Owls Consulting Group, Inc., to deliver a lecture titled "Business and Human Rights: Starting Tomorrow" on initiatives to respect human rights based on the ITOCHU's "Earn, Cut, and Prevent" principles. More than 100 employees participated in the event, where they gained practical insights into promoting respect for human rights through a lecture that incorporated real-world business perspectives.

Ms. Yamori from Owls Consulting Group, Inc.

FY2025	Respecting Human Rights from the Perspectives of "Earn, Cut, and Prevent"
FY2024	The Importance of Considering and Coexisting with Natural Capital in Business
FY2023	Training on Biodiversity (basic, practical) Briefing for TCFD and Scenario Analysis
FY2022	Method of Calculating Scope3 Emissions in the ITOCHU Group
FY2021	When and Where Does CO_2 Occur? Life Cycle Assessment (LCA) Study Session

Sustainability Trainings

We engage in various sustainability trainings for ITOCHU personnel so as to promote sustainability awareness within ITOCHU 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 FY2025
Group ESG Managers Conference	Group ESG managers	Basic knowledge and explanation of work duties for ITOCHU Group ESG promotion supervisors	90
Training New Recruits	New employees	ITOCHU Group sustainability promotion	155
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	53
Training for Group Executive Officers	Group executive officers	ITOCHU Group sustainability and importance of Group alliances	95
Sustainability Survey Workshop	Employees conducting sustainability surveys	Important items in the Sustainability Action Guidelines for Supply Chains and sustainability surveys	85

Strategies

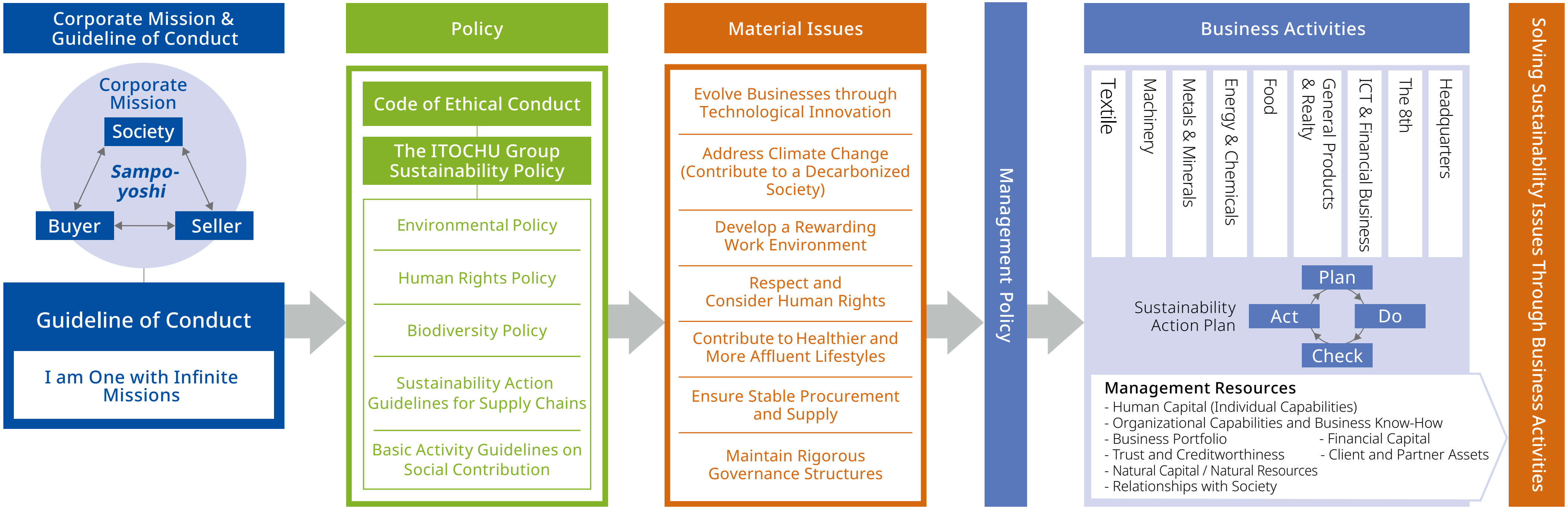
Flow of Sustainability Promotion

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

ITOCHU 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 (P250)” for details.

Sustainability-related Risks and Opportunities

Evaluation of Sustainability-related Risks and Opportunities

ITOCHU 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, 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

On a Group basis, the Group 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, ITOCHU 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
- FY2025: 13.2 million t-CO_2e
- FY2024: 9.7 million t-CO_2e
- FY2018: 1 million t-CO_2e

Evolve Businesses through Technological Innovation: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Textile Company	9	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.	• In March 2025, the Stamp Duty Assessment Agent received the Excellence Award at the Google Generative AI Awards. Since then, we have continued to leverage Google’s generative AI services, implementing numerous AI agents such as the HS CODE Agent and the Contract Review AI. As a result, adoption of these agents and Google’s generative AI services has expanded to approximately 1,300 users across both ITOCHU Corporation and our Group companies. Through the utilization of generative AI, we have achieved a reduction of 13,000 working hours per month across ITOCHU Group (based on self-reported data from 522 survey respondents). • A project to introduce a Voice of Customer (VoC) tool utilizing generative AI is currently underway at 6 group companies. The initiative aims not only to improve operational efficiency such as by enhancing product planning accuracy and optimizing customer service, but also to elevate business models to a more advanced level. • Reforms are progressing across 7 retail companies through measures such as the introduction of Generative AI-powered inventory optimization tools. With significant inventory reductions achieved at Dome Corporation, the combined ROA (Return on Assets) for these 7 companies is projected to improve from 2.5% in FY2024 to 4.4% in FY2025.
Machinery Company	7, 13	• 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 supply chains to contribute to the decarbonization of the maritime industry.	• To contribute to decarbonization in international shipping, Machinery Company is involved in an integrated project for ammonia-fueled vessels aimed at follows. (i) developing ammonia-fueled vessels (ii) owning and operating ammonia-fueled vessels (iii) developing fuel supply chains (iv) procuring/producing clean ammonia • Development of an ammonia-fueled engine for large bulk carrier was completed in February 2026. In FY2026, the project will move to discussions with shipyards on specifications and shipbuilding cost estimates. • Development of ammonia fuel supply chains is being prioritized in Singapore, followed by major ports in Europe / the Suez Canal / the Panama Canal and others. Machinery Company was selected by the Singapore government as a potential ammonia-fuel bunkering operator in July 2024. An ammonia bunkering vessel for this business was ordered in July 2025 and is scheduled to be completed in September 2027. Discussions with relevant parties, including authorities, are ongoing toward demonstration in Singapore. • Green ammonia production projects in Indonesia, India, and other countries are being advanced to support bunkering hubs in Singapore and Europe.

Metrics and Targets

Evolve Businesses through Technological Innovation: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
Machinery Company	13 CLIMATE ACTION	• 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.	• Based on insights from the EVision demonstration conducted in the previous fiscal year, SmartEVer, an energy management service that integrates EV charging operations with facility power demand control, was co-developed with Isuzu Motors Limited and I-Grid Solutions Inc., and the service was launched. • Starting in November 2025, in collaboration with Isuzu Motors Limited, FamilyMart Co., Ltd., and the City of Yokohama, a delivery demonstration began in Yokohama using Japan's first battery swapping station enabling simultaneous swaps on both sides and three ELF EV vehicles. Through deliveries to approximately 80 stores, the project will verify high-utilization operation of commercial EVs, reduced downtime through battery swapping, business feasibility, and decarbonization effects, aiming for early commercialization of battery-swappable EV trucks.
Machinery Company	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	• Climate Change Opportunities • Innovation	• Taking countermeasures against climate change • Next-generation business development	Aerospace business	We will 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	• Development and commercialization of hydrogen fuel cell–electric engines for small and large propeller aircraft. • Utilization of key components for electric propulsion systems, including fuel cells and electric motors.	• In January 2024, we invested in ZeroAvia, an aerospace venture that develops hydrogen fuel cell engines for aircraft. We are promoting sales of the engines in Japan and Asia and supporting the development of hydrogen infrastructure centered on airports. • In November 2025, ZeroAvia obtained a Design Organisation Approval from the UK Civil Aviation Authority as the world's first hydrogen-related company. This demonstrates ZeroAvia's eligibility toward type certification, and engine development is progressing steadily.
Metals & Minerals Company	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	• 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 GHG, such as 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 GHG 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 GHG 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 have signed a Joint Development and Operating Agreement with Osaka Gas, Toho Gas, and others to participate in large-scale facility to produce electric natural gas (e-NG) (Live Oak Project),which TotalEnergies and Tree Energy Solutions have been promoting in Nebraska in the United States, starting from the Front-End Engineering Design (FEED) phase. Through the project, we aim to begin commercial operations and export e-NG to Japan by 2030. • 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 Carbon, 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. • Steadily promoted aluminum trade business that contributes to automobile weight reduction and electrification. We have traded approx. 500,000 tons in FY2025, 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

Evolve Businesses through Technological Innovation: Action Plans

Division Company	SDGs Targets	Impact Classification	Issues to Address	Business Area	Commitment	Specific Approach	Performance Indicators	Degree of Progress
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 in Brazil, improving the plant's actual yield rate. We are currently considering to apply of the system at other operational sites and other regions.
Food Company	9	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.	• Provided value chain optimization services to eight retailers. (1) Demand-forecasting services introduced to two retailers, improving logistics efficiency; used by 170 manufacturers and wholesalers. (2) Store order optimization services introduced to 6 retailers, streamlining store operations. • November 2025 PoC with a selected retailer confirmed 24% improvement in loading efficiency and 4% reduction in distribution center labor hours under certain conditions.
ICT & Financial Business Company	9	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.	• We've started working with 4 new vendors in the AI and enterprise security fields. • Provide services and solutions that enhance the efficiency and flexibility of network operations and the utilization of data. • With the aim of creating new business opportunities in the domains of Sustainability Transformation (SX) and Green Transformation (GX), 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 highly convenient social infrastructure.
The 8th Company	9	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.	By promoting our retail business, we will expand our points of contact with customers and, by leveraging the diverse range of products, functions, and expertise within our group, create unique new value that benefits our customers and local communities.	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 Inc., a company that independently develops humanoid AI assistants equipped with advanced recognition technology. By leveraging the company's technology, an AI model was developed to support store manager operations at FamilyMart stores. As of the end of March 2026, the model had been introduced to approximately 13,000 stores, about 1.9 times as many as at the end of the same month of the previous year. At the same time, the incorporation of generative AI has further enhanced its communication capabilities. The model helps reduce the workload of store operations through functions such as ordering advice that takes into account various types of information, including weather conditions, and also contributes to improving the operational efficiency of field supervisors who visit stores. • In October 2020, FamilyMart, NTT DOCOMO, and CyberAgent jointly established Data One Corp., an advertising distribution company. In recent years, the company has accelerated data collaboration with other retailers, expanding to an unparalleled scale in Japan, with more than 55 million advertising IDs linked to in-store purchase data and annual transaction data totaling JPY 10 trillion. By advancing marketing sophistication through measures such as coupon distribution tailored to customers' preferences, the company is enhancing customers' purchasing experiences. • In September 2021, FamilyMart established Gate One Corp., a media business company specializing in digital signage. Large-scale digital signage has been installed inside FamilyMart stores, transforming them into media channels. As of the end of March 2026, signage had been installed in approximately 11,000 stores, establishing one of Japan's largest retail media networks, reaching 15 million people per day. Furthermore, the company is strengthening its distribution of entertaining program content for customers, as well as timely and useful information for local residents and visitors, such as disaster-related information and heatstroke prevention measures, aiming to provide customers with a new 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

	FY2018	FY2024	FY2025
Scope 1/2/3 total*	242 million t-CO_2e	178 million t-CO_2e	174 million t-CO_2e
Reduction rate compared to FY2018	-	26%	28%

*Scope 1/2/3 (Non-consolidated and consolidated subsidiaries) and fossil fuel businesses and interests (Non-consolidated, consolidated subsidiaries, associated companies, and general investments)

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	7 13	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.	FY2030: Target to achieve a renewable energy ratio more than 20% (equity interest basis, company-wide figure including the Energy & Chemicals Company) and reflect this to the future strategy.	• Tyr Energy Development Renewables, the U.S. based renewable energy development company established in FY2022, sold two developed solar assets in FY2025, bringing the cumulative total of sold solar assets to 15, and is currently developing 24 solar projects (approximately 4.3 GW) across 10 states in the United States. • NAES Corporation, the U.S. subsidiary and world's largest independent power plant operation and maintenance service company, provides operation & maintenance services for approximately 1,000 renewable power generation sites (equivalent to 3 GW). • In June 2023, a fund investing in North American renewable energy assets was established. The fund made one additional investment in FY2025, bringing the cumulative total to 3 executed investments (406 MW). • In January 2025, we agreed to invest in the Bowman Wind Project (208 MW) under construction in North Dakota, and in October 2025, agreed to invest in the Black Hollow Sun Project (258 MW) under construction in Colorado, steadily executing investments in renewable energy assets. • As of March 2026, the ratio of renewable energy based on generation capacity share is 19.9% (1.2% increase compared to the previous year).
Machinery Company	7 13	• 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 supply chains to contribute to the decarbonization of the maritime industry.	• To contribute to decarbonization in international shipping, Machinery Company is involved in an integrated project for ammonia-fueled vessels aimed at follows. (i) developing ammonia-fueled vessels (ii) owning and operating ammonia-fueled vessels (iii) developing fuel supply chains (iv) procuring/producing clean ammonia • Development of an ammonia-fueled engine for large bulk carrier was completed in February 2026. In FY2026, the project will move to discussions with shipyards on specifications and shipbuilding cost estimates. • Development of ammonia fuel supply chains is being prioritized in Singapore, followed by major ports in Europe / the Suez Canal / the Panama Canal and others. Machinery Company was selected by the Singapore government as a potential ammonia-fuel bunkering operator in July 2024. An ammonia bunkering vessel for this business was ordered in July 2025 and is scheduled to be completed in September 2027. Discussions with relevant parties, including authorities, are ongoing toward demonstration in Singapore. • Green ammonia production projects in Indonesia, India, and other countries are being advanced to support bunkering hubs in Singapore and Europe.
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.	• Based on insights from the EVision demonstration conducted in the previous fiscal year, SmartEVer, an energy management service that integrates EV charging operations with facility power demand control, was co-developed with Isuzu Motors Limited and I-Grid Solutions Inc., and the service was launched. • Starting in November 2025, in collaboration with Isuzu Motors Limited, FamilyMart Co., Ltd., and the City of Yokohama, a delivery demonstration began in Yokohama using Japan's first battery swapping station enabling simultaneous swaps on both sides and three ELF EV vehicles. Through deliveries to approximately 80 stores, the project will verify high-utilization operation of commercial EVs, reduced downtime through battery swapping, business feasibility, and decarbonization effects, aiming for early commercialization of battery-swappable EV trucks.

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 improving 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, supplying approximately 30% of Melbourne's water demand and about 30% of the water demand of 1.5 million people in Oman's Muscat metropolitan area. **Environmental Field** • UK: We operate three municipal waste incineration and power generation projects (Energy-from-Waste/EfW projects), processing 850,000 tons of municipal waste annually and providing electricity to 100,000 households. • Serbia: Machinery Company established the first integrated waste management project in Serbia. It contributes to addressing Serbia's major environmental and social issues by reducing GHG emissions and polluted water leakage. Commercial operation of the EfW project began in July 2024, and the carbon credits from the project have been accredited by Gold Standard. In FY2025, the contribution to GHG reductions is approximately 100,000 t-CO_2e per year. • UAE: We operate the first EfW project in Dubai. The project is a world-leading plant designed to process 1.9 million tons of municipal waste per year, equivalent to about half of the waste generated in UAE. Commercial operation began in August 2024 and is expected to contribute approximately 2.17 million t-CO_2e per year in GHG reductions. • Saudi Arabia: We are participating in an integrated hazardous waste management service in Jubail Industrial City.
Machinery Company	7 13	• Climate Change Opportunities • Innovation	• Taking countermeasures against climate change • Next-generation business development	Aerospace business	We will 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	• Development and commercialization of hydrogen fuel cell–electric engines for small and large propeller aircraft. • Utilization of key components for electric propulsion systems, including fuel cells and electric motors.	• In January 2024, we invested in ZeroAvia, an aerospace venture that develops hydrogen fuel cell engines for aircraft. We are promoting sales of the engines in Japan and Asia and supporting the development of hydrogen infrastructure centered on airports. • In November 2025, ZeroAvia obtained a Design Organisation Approval from the UK Civil Aviation Authority as the world's first hydrogen-related company. This demonstrates ZeroAvia's eligibility toward type certification, and engine development is progressing steadily.
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 GHG, such as 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 GHG 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 GHG 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 have signed a Joint Development and Operating Agreement with Osaka Gas, Toho Gas, and others to participate in large-scale facility to produce electric natural gas (e-NG) (Live Oak Project), which TotalEnergies and Tree Energy Solutions have been promoting in Nebraska in the United States, starting from the Front-End Engineering Design (FEED) phase. Through the project, we aim to begin commercial operations and export e-NG to Japan by 2030. • 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 Carbon, 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. • Steadily promoted aluminum trade business that contributes to automobile weight reduction and electrification. We have traded approx. 500,000 tons in FY2025, 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	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 GHG. 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	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.	• Ongoing discussions with stakeholders to promote efficient heat supply to neighboring areas. • Due to the headquarters relocation after August 2026, heat/cool supply from the current plant will end; a temporary plant will be constructed to ensure stable supply to customers from January 2027 onward.
Energy & Chemicals Company	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)	**Residential Battery Storage Systems** • As of the end of March 2026, cumulative sales of residential battery storage systems reached approximately 64,000 units, equivalent to about 635 MWh. • GridShare Japan provides AI-based remote battery control services and is promoting the development of next-generation power businesses, including VPP and P2P electricity trading, together with participating partners; electric utilities and battery manufacturers. **Utility-Scale Battery Storage Systems** • As of the end of March 2026, cumulative sales of utility-scale battery storage systems exceeded 500 MWh, achieving the original 2028 target ahead of schedule. • Japan's first fund dedicated to grid-scale battery storage projects has been established, with investment projects already selected, and development of storage facilities will be promoted going forward. • Two subsidies from METI and one subsidy from the Tokyo Metropolitan Government have been secured, and projects funded by our company and the ITOCHU Group are being promoted together with investment partners.
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 GHG 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 production and 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 undertaking activities related to partnership formation, market approach strategies, and technology selection. **Sustainable Aviation Fuel (SAF) and Renewable Diesel (RD)** • Seven companies including us, conducted the demonstration testing for trading Scope3 environmental value using the SAF and have completed its first phase during the period from August 2024 to March 2025. In addition, we started a new scheme for trading Scope3 environmental value, which we had originally created in this regard. • Through collaboration with Neste OYJ and GS Caltex, we conducted the supply/sales of the fuel that complies with the Carbon Offsetting and Reduction Scheme for International Aviation, imported to Narita International Airport. • We continued the supply of RD to heavy machineries/commercial vehicles, imported from Neste OYJ. We aim at improving the supply chain & strengthening the branding power of RD, based on diesel fuel that is a maximum of 40% renewable diesel, with the name change from RD40 to FINE DIESEL. **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. • Based on the supplemental budget for FY2024, we won the tender for the material procurement and started the supply to Institute of Laser Engineering (ILE) of the University of Osaka.

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	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 GHG 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.	ITOCHU Oil Exploration Co., Ltd., 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 FY2023 and Engineering Design Work for Japanese Advanced CCS Project in FY2024 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.
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 1,300 on-site solar power plants (as of the end of January 2026: combined output of approximately 330 MW +20% year on year). • Expanded the third party-owned distributed renewable power generation across Japan through Clean Energy Connect, Inc. which operates approximately 2,500 off-site solar power plants (as of the end of January 2026: combined output of approximately 220 MW +25% year on year).
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 emissions reduction amount by introduction of clean energy.	**Results in FY2025** • Utilization of processed pineapple residue: 117,666 t Due to improved pineapple yield, the amount of residue input has decreased. • GHG emissions reduction from Renewable Energy installation: 68,526 t-CO_2e Reduction volume decreased due to lower residue input volume.
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 GHG.	Handle certified or highly controlled forest products.	Ensure a 100% handling ratio of certified or highly controlled forest products.	In FY2025, 100% of our Pulp, Woodchips and Wood Products & Materials transactions were handled as certified or highly controlled forest products.
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. • The total slag volume we handled was 1.68 Millon tons in FY2025, 13% increase from the previous year.

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 of March 31, 2026, female executives accounted for 28.3% of all of our executive positions.

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 DECENT WORK AND ECONOMIC GROWTH	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 "employee engagement" item in the engagement survey: 70% or higher. • 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 "employee engagement" in employment survey which conducted in FY2025 was 71%, FY2024 was 68%, in FY2023 was 68%, in FY2022 was 67%. • Percentage of employee taking paid leave; 71% in FY2025.
Headquarters	8 DECENT WORK AND ECONOMIC GROWTH	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: 99.4% (As of March 25th, 2026) • Percentage of employees who take cancer screening consultation: 99.5% in FY2025 • Percentage of employees who take detailed examination for physical findings: 100% in FY2025 • Percentage of productivity loss due to presenteeism: 32.0% in FY2024 • Average Days of absenteeism: 2.1days in FY2025 • Number of employees taking leave due to mental health issues: 4 persons in FY2025 • Percentage of employees who receive specific health guidance: 77.9% in FY2024 • Percentage of employees utilize the Cancer Treatment and Work-Life Balance Support Plan: 94.1% in FY2025 • Percentage of employees who get enough rest through sleep: 65.4% in FY2025
Headquarters	8 DECENT WORK AND ECONOMIC GROWTH	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: 2.7 billion yen in FY2025 • The number of employees who joined human development program (cumulative total number): 53,811 • Overseas dispatch rate for career-track employees in up to their eighth year since joining the company: 86% (As of FY2018, there were 743 employees required to be dispatched, of which 637 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	5 8 10	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 FY2025 (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: 28.3% as of March 2026 (2) Female employees as a percentage of workforce: 26.2% as of March 2026 (3) Female employees as a percentage of new employees: 42% in FY2025 (4) Female employees as a percentage of employees in managerial positions: 10.1% as of March 2026 (5) Percentage of male employees who take childcare leave: 128% as of March 2026 (6) The percentage of employment of those with disabilities over our entire group: 2.66% as of March 2026 (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. **Expanded Support for dual-income Households and Shared Parenting** The following initiatives have been introduced to support employees in balancing work with childcare, nursing care, and other personal responsibilities: • Career continuity support, such as temporarily reducing the scope of authority and discretion and exempting employees from mandatory relocation • Referrals to services that help ease the burden of housework and childcare, as well as financial assistance to cover related costs • Communication seminars that explore effective ways for spouses to share housework and childcare responsibilities and to foster better relationships with workplace stakeholders **Preconception Care** Programs based on the concept of preconception care are provided to younger employees as an opportunity to offer accurate knowledge about health changes across life stages and to help them learn, at an early stage, the importance of health management.

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 FY2025, the Sustainability Survey was conducted for 324 suppliers.
- Requests of reconfirmation: 54
- 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 FY2025, sustainability surveys were conducted for 77 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.	Implementation rate of due diligence regarding social and environmental safety for suppliers and business investment destinations in 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 new development investment projects. Prior to investment execution, we conduct Due Diligence on each development project, assessing its social and environmental integrity based on project-specific characteristics.

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 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. Targets for 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.	**Results in FY2025** • Coffee Beans (certified products): procurement ratio 34% • Cacao beans (traceable products): procurement ratio 55% • RSPO Certified Palm Products/Oleo chemicals: Palm Oils 38% Oleo Chemical Products 63% **Support Achievements to Each Producing Country (Qualitative)** • Coffee Beans To contribute more directly to Ethiopia's coffee industry, we partnered with related company to donate coffee seedlings.

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: 2,742 people as of March 2026 (2,625 full-time employees, 117 part-time and contract employees) • Pineapple production: Approximately 10,000 t in FY2025 • Providing 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 FY2025, 356 children were 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.	In FY2025, we handled 10,600 t of MSC certified tuna in total. (Increasing to 9% volume in our total handling)
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 the modern slavery issue.	• We will establish a traceability system to make uncertain raw material procurement supply chains 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 2028 through an original block chain-based traceability system.) • We will increase the number of smallholders receiving 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. • Implemented sustainability training and education for 8,223 smallholders (based on the performance from January 2025 to December 2025), accumulatively 28,135 smallholders (*based on the performance from January 2021 to December 2025).
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, reduce the effects on the environment, and revitalize 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, reduce the effects on the environment, and revitalize the local economy.	• In Kuwana City, Mie Prefecture, a public-private partnership project(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, another PPP is underway to develop an arena that will function as designated evacuation shelter as well as 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
Energy & Chemicals Company	3 GOOD HEALTH AND WELL-BEING	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.	• As a result of ITOCHU CHEMICAL FRONTIER Corporation's efforts to maintain a stable supply of pharmaceutical raw materials to domestic and overseas drug manufacturers and to support the launch of new generic products, in FY2025 we launched generic diabetes medicine and Leukemia medications. • We have continued to sell a pain reliever in North America through ITOCHU CHEMICAL FRONTIER Corporation.
Food Company	3 GOOD HEALTH AND WELL-BEING	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 391 factories. We strengthened audits and guidance for suppliers by certified experts and in-house qualified personnel in food safety management systems, enabling us to procure and supply safe and reliable food products on a stable basis.
ICT & Financial Business Company	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	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 FY2024, 6 fund investments and 1 direct 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 GOOD HEALTH AND WELL-BEING	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.	• 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. **Implementation Results for FY2025** • 20 facilities (a cumulative total of 123 facilities) • 2,100 people (a cumulative total of 6,200 participants)
ICT & Financial Business Company	8 DECENT WORK AND ECONOMIC GROWTH	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.	• Loan Balance Growth Rate As of the end of January 2026, compared with the end of the previous fiscal year • UAF (Hong Kong): 107.4% • EasyBuy (Thailand): 98.6% • FRF (UK): 105.8% • ACF (Philippines): 120.1% • UAF, FRF, and ACF remained steady. On the other hand, EasyBuy's loan balance has decreased due to the impact of the Bank of Thailand's regulations on household debt.

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 FY2025).
								  • Waste volume to be made into RENU: equivalent to 4.8 million pieces of T-shirts
								  • CO_2 reduction: 1,491 tons
								  • Water usage reduction: 5,018 kiloliters
								• Approximately 6,000 collection points for Wear to Fashion, the clothing recycling service (as of March 2026).
								• 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. At Expo 2025 Osaka, Kansai, some of the used uniforms from the Expo staff were recycled through this project, contributing to the realization of a circular society.

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 FY2025, sustainability surveys were conducted for 77 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 2025, we acquired a partial indirect interest in the Ministers North Iron Ore Deposit from BHP and development of the Deposit is subject to a potential Final Investment Decision by June 2026. 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 (CSN Mineração), which produces high-grade iron ore rich 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 2025, we continued the efforts from the previous year to improve the mine's operational environment and stability.

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 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 continue to supply PCR (Post-Consumer Recycled) polyethylene and polypropylene resins and promote the handling of environmentally friendly food packaging materials.

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 GHG 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 production and 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 undertaking activities related to partnership formation, market approach strategies, and technology selection. **Sustainable Aviation Fuel (SAF) and Renewable Diesel (RD)** • Seven companies including us, conducted the demonstration testing for trading Scope3 environmental value using the SAF and have completed its first phase during the period from August 2024 to March 2025. In addition, we started a new scheme for trading Scope3 environmental value, which we had originally created in this regard. • Through collaboration with Neste OYJ and GS Caltex, we conducted the supply/sales of the fuel that complies with the Carbon Offsetting and Reduction Scheme for International Aviation, imported to Narita International Airport. • We continued the supply of RD to heavy machineries/commercial vehicles, imported from Neste OYJ. We aim at improving the supply chain & strengthening the branding power of RD, based on diesel fuel that is a maximum of 40% renewable diesel, with the name change from RD40 to FINE DIESEL. **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. • Based on the supplemental budget for FY2024, we won the tender for the material procurement and started the supply to Institute of Laser Engineering (ILE) of the University of Osaka.
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. **Targets for 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.	**Result in FY2025** • Coffee Beans (certified products): procurement ratio 34% • Cacao beans (traceable products): procurement ratio 55% • RSPO Certified Palm Products/Oleo chemicals: Palm Oils 38% Oleo Chemical Products 63% **Support Achievements to Each Producing Country (Qualitative)** • Coffee Beans To contribute more directly to Ethiopia's coffee industry, we partnered with related company to donate coffee seedlings.
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: 2,742 people as of March 2026 (2,625 full-time employees, 117 part-time and contract employees) • Pineapple production: Approximately 10,000 t in FY2025 • Providing 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 FY2025, 356 children were 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.	In FY2025, we handled 10,600 t of MSC certified tuna in total. (Increasing to 9% volume in our total handling)
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)	**Results in FY2025** • Reuse of waste bananas in Philippines: 35,975 t • Reuse of waste bananas in Japan: 5,082 t Reuse volume increased due to progress of Mottainai bananas project.
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.	• Food waste generation in FY2025 is projected to be 51.8% lower than in FY2016, representing a 6.7% decrease from the previous year. • In addition to adjusting supply and demand based on retail store sales and order data and increasing the volume of products donated to food banks, we also strengthened awareness-raising activities to reduce food loss, and plan to continue these reduction measures even after achieving the target.
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 GHG.	Handle certified or highly controlled forest products.	Ensure a 100% handling ratio of certified or highly controlled forest products.	In FY2025, 100% of our Pulp, Woodchips and Wood Products & Materials transactions were handled as certified or highly controlled forest products.
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 the modern slavery issue.	• We will establish a traceability system to make uncertain raw material procurement supply chains 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 2028 through an original block chain-based traceability system.) • We will increase the number of smallholders receiving 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. • Implemented sustainability training and education for 8,223 smallholders (based on the performance from January 2025 to December 2025), accumulatively 28,135 smallholders (*based on the performance from January 2021 to December 2025).
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. • The total slag volume we handled was 1.68 Millon tons in FY2025, 13% increase from the previous year.
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 947 models in FY2024 to 1,494 models in FY2025. • Procurement Sources: Maintained at 12 companies from FY2024 to FY2025. • 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 PEACE, JUSTICE AND STRONG INSTITUTIONS	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 10 Directors; two female Directors out of 10 Directors; one female Audit & Supervisory Board Members; and one outside Director and one outside Audit & Supervisory Board Member with extensive corporate management experience). • 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 is a female outside Director. The ratios of outside officers and female members have been increased to a majority (four out of seven members in each case). • We conducted an evaluation of the effectiveness of the Board of Directors with the support of an external consultant and confirmed that the effectiveness of our Board continues to be ensured.
Headquarters	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	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 March - May 2025, Monitor and Review of the ITOCHU Group's compliance system for the FY2024 was conducted. This survey covered a total of 447 organizations, including all organizations at the headquarter, all domestic branches, overseas blocks, and ITOCHU 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 July - September 2025, in order to strengthen the compliance framework and prevent compliance incidents within the ITOCHU Group, we conducted a compliance awareness survey targeting 61,317 officers and employees (including contract and temporary staff) at ITOCHU Corporation and 269 domestic and overseas group companies. A total of 60,839 individuals responded to the survey. • In the period of November 2025 - February 2026, 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 FY2024, 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 February - March 2026, 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: 4,336 • The status of our periodical on-site compliance training seminars conducted for domestic group companies including their subsidiaries and affiliates in FY2025 is as follows: 89 companies with 26,317 participants.
Headquarters	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	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 ITOCHU 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 the Consolidated Risk Management 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 Consolidated Risk Management Action Plans of the FY2025 submitted by each division responsible for risk management every half year. Including all issues dealt with during the period, we reported to the Internal Control Committee that ITOCHU's internal risk management system is functioning effectively, which was held in October 2025 (review of the first half of FY2025), and in April 2026 (review of the second half of FY2025, and the action plans for FY2026).

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. We 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 FY2025, ITOCHU participated in the ESG Subcommittee and the Human Rights Education Subcommittee.

TNFD Forum

ITOCHU supports the principles and activities of the TNFD which promote 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. Subsequently, 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.

- Please refer here (https://www.itochu.co.jp/en/csr/pdf/cdp_questionnaire_2026.pdf) for our company's latest answers to CDP Questionnaire 2026 for climate change, water security, and forests

Collaboration with Outside Initiatives

GX Future Consortium/GX Future League

ITOCHU announced its support for TCFD, which encourages companies to disclose financial information related to climate change, and participated in the TCFD Consortium, established in 2019 by the Ministry of Economy, Trade and Industry (METI), Ministry of the Environment (MOE), and the Financial Services Agency (FSA). In 2022, ITOCHU expressed its support for the GX League Basic Concept established by the METI, 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. We also participated in the GX League, which began in earnest in April 2023.

Furthermore, in April 2026, the GX Future Consortium, which integrates the functions of the TCFD Consortium and the GX League, was established, and within it, the GX Future League was formed. The league inherits the functions of both the TCFD Consortium and the GX League, and was established as a new framework to promote collaboration among companies and rule-making, in anticipation of increasing GX-related demand driven by the full implementation of the emissions trading system.

We will continue to actively participate in the GX Future Consortium and the GX Future League, contributing to the virtuous cycle of the environment, economy, and society, including climate change.

- GX Future Consortium/GX Future League (https://gx-future-consortium.go.jp/en/)

Japan Climate Initiative (JCI)

ITOCHU participates in the Japan Climate Initiative (JCI), a network of Japanese non-governmental actors actively working to achieve the 1.5-degreegoal. This network gathers companies, local governments, organizations, and NGOs who support the idea of "Joining the front line of the global push for decarbonization from Japan." With the active commitment of the Director in charge, the staff of the Sustainability Management Division participates in various seminars and other activities held by 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. In 2025, we endorsed the "Japan Climate Action Summit 2025 Declaration" advocated by JCI. This declaration demonstrates our strong commitment, as a member of JCI, to realizing a decarbonized society. Please refer hereOpen in a new window for more details.

- 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 P202 for details of our activities.

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

GPSNR (Global Platform for Sustainable Natural Rubber)

Please refer to P201 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/)

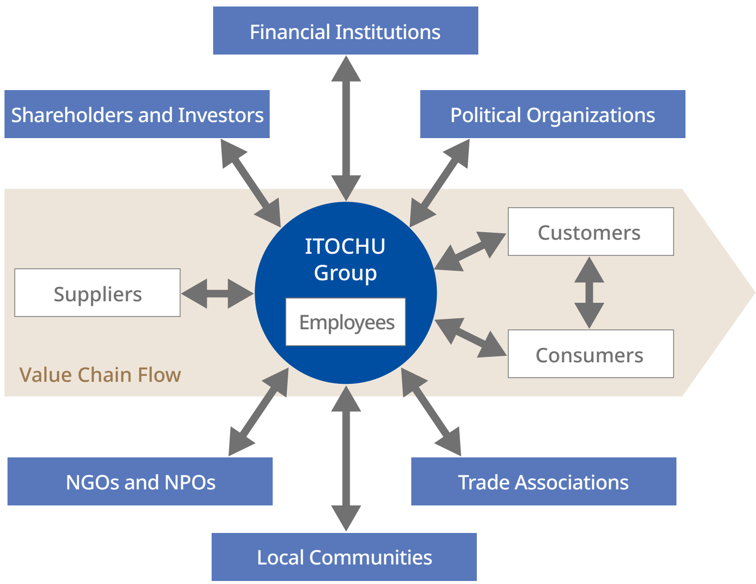
Collaboration with Outside Initiatives

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 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/ Sustainability 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/ Sustainability 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 NGOs and NPOs.	• 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

The Expense of Associations and Social Contribution

(Unit: 1 million yen)

Subject	FY2023	FY2024	FY2025
Lobbying	0	0	0
Trade Association, Economic Association, etc.	91	70	393
Political Association	32	28	30
Other	0	0	0
Total	123	98	423
Social Contribution (Donation)	1,971 (161)	1,941 (154)	1,919 (477)

Major Donation Cases in FY2025

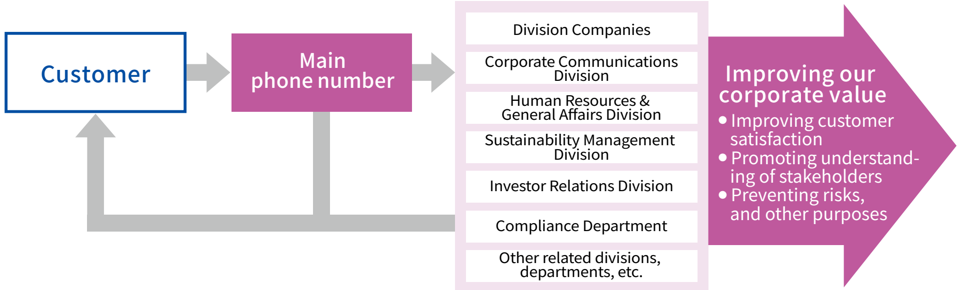
(Unit: 1 million yen)

Subject of Donation	Amount	Summary
General Incorporated Foundation National Political Association	28	Corporate donations to the National Political Association
Imabari City, Ehime Prefecture	50	Donation to support projects for Imabari 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	1	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.

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.



Third Party Opinion

Mr. Hidemi Tomita
CEO
Institute for Sustainability Management

One of the most noteworthy features of this report is the significant progress made in its disclosures based on the TNFD recommendations. The report presents analyses of sectors identified as highly material through dependency and impact mapping, and, importantly, each of these is examined in detail along the value chain. This provides highly meaningful insight. It is also important that these efforts involve frontline sales personnel in each case, ensuring that the initiatives are grounded in on-the-ground realities rather than remaining purely desk-based analyses. For example, in the area of natural rubber, the knowledge and experience cultivated through PROJECT TREE have clearly been put to good use.

In the past, sustainability discussions tended to focus mainly on globally shared challenges such as climate change. While progress on these issues remains insufficient, society is now also facing rising regional risks, including geopolitical and geo-economic tensions, alongside major changes driven by advances in digital technologies such as AI. These developments are having a profound impact on sustainability and resilience not only at the national and regional levels, but also within smaller communities and organizations. As a general trading company, ITOCHU Corporation is well positioned to draw on its diverse business portfolio and to help guide society toward a more sustainable future, addressing challenges from the global to the local, while maintaining an appropriate balance through new business initiatives.