

## Cocoa Bean Procurement Policy

ITOCHU Corporation (hereinafter “ITOCHU”) has established its sustainability approach based on the original spirit of “*Sampo-yoshi*” in its Sustainability Policy, which aims to bring about and lead towards a sustainable society. We have established this procurement policy for ITOCHU and its subsidiaries to achieve sustainable procurement of cocoa beans and fulfill our corporate social responsibility.

The negative impact on the environment and human rights related to the development and production of cocoa farms and plantations has been pointed out. Although ITOCHU is not engaged in the farm/plantation business, it conducts cocoa bean trading and therefore connects producers and consumers. As such, we have established the ITOCHU Group Environmental Policy, the ITOCHU Group Human Rights Policy, and the Sustainability Action Guidelines for Supply Chains to fulfill our corporate social responsibility to ensure that our business activities do not have a negative impact on human rights or the environment.

ITOCHU will promote the sustainable procurement of cocoa beans through collaboration with stakeholders.

ITOCHU will fulfill its corporate social responsibility by carrying out verification of the supply chain based on the following priority items and identifying and improving issues (i.e., conducting supply chain due diligence). In addition to complying with the laws and regulations of the countries and regions where cocoa beans are produced, we will respect the international standards set forth by the International Labor Organization (ILO) and engage in stable procurement activities for cocoa beans that take into consideration human rights and the global environment and that follow appropriate procedures.

### Priority Items

- Improving traceability  
We will promote transparency and improve traceability in the cocoa bean supply chain, which involves many stakeholders, including small-scale producers and local traders.
- Addressing deforestation and climate change  
We aim to conserve ecosystems in cocoa bean production areas, including agroforestry, and environmentally important areas, including natural forests.
- Eradicating poverty and improving the living standards of farmers  
We aim to eradicate poverty and improve the living standards of farmers by supporting the provision of local infrastructure and activities to raise crop yields so that farmers can increase their income.
- Eradicating illegal labor, including child labor and forced labor.  
We will aim to prohibit the employment of children under the minimum working age as stipulated not only by the laws of the countries in which we operate, but also by the international standards set by the International Labor Organization (ILO). In addition, we will work to prohibit the use of forced or compulsory labor without the free will of the individual.

## **Target**

- Achieve 100% procurement of sustainable cocoa beans\* by 2030  
\*Sustainable cocoa beans (ITOCHU's definition): Cocoa beans procured while engaging in activities described in the priority items, such as consideration for human rights, agroforestry, and forest protection.

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