Relationships with Society

Trough constructive dialogue with stakeholders, ITOCHU seeks to understand and meet the demands and expectations they have for us, allowing us to promote stable business activities in Japan and overseas and further enhance corporate value.

Relationships with Society

Value for Stakeholders (Main Stakeholders)

Provide value to clients (customers / suppliers) and shareholders

- Stably procure and supply products and services
- Reduce supply chain risks
- Enhance shareholder returns policy
- Promote understandings of ITOCHU's management and businesses through engagement

Provide value to society

- Establish a sustainable society
- Develop local infrastructure and create sustainable employment
- Contribute to medical care and education



Value for ITOCHU

- Establish mutually beneficial relationships with local communities
- Enhance ITOCHU's trust and creditworthiness
- Strengthen ITOCHU's management through engagement
- Maintain sound and transparent governance structures
- Establish a stable and strong earnings base

Risks

- · Project delay and continuity risks accompanying the occurrence of environmental and human rights issues
- Decrease in creditworthiness when consumer safety or health issues occur
- Impact of destabilization of the market and social security system due to policy changes, etc.
- Obsolescence and extinction of existing business models that accompanies structural changes in facing industries

Opportunities

- Expansion of business domains by addressing the social issues described in the SDGs
- Business stabilization and recruitment through harmonious coexistence with local communities
- Increase in demand due to population growth and rising standards of living in emerging countries
- Occurrence of new business opportunities that accompanies structural changes in facing industries

Specific Initiatives

- Engagement with stakeholders
- Strengthening of supply chain and business investment management from a sustainability perspective
- Education and awareness raising of employees to help promote sustainability
- Activities through governments, business circles, and industry organizations
- · Social contribution activities and volunteer activities

KPIs

- Number of engagements with stakeholders
- Number of companies participating in sustainability surveys
- Number of ESG- and compliance-related internal training sessions and number of participants
- External evaluation of initiatives and additions to indexes
- Shareholder returns (dividend payout ratio and share buybacks) and EPS

Influential Capital (IIRC Framework)

- Social and relationship capital
- Natural capital
- Human capital
- Intellectual capital

SDGs to which ITOCHU Will Contribute























Dole Philippines - Harmonious Coexistence with Local Communities

The pineapple division of Dole Philippines Inc. (Dolefil), a subsidiary of Dole International Holdings, Inc., continues to promote an initiative that integrates social contribution and growth strategies guided by a "Social Fence" concept, whereby a region protects its businesses. Despite conducting farm management in a region that suffers from social instability and underdeveloped business infrastructure, Dolefil has achieved sustained business development for more than half-a-century through management with a thorough focus on harmonious coexistence with local communities.

For pineapple cultivation, which requires a fixed period of financial commitment (one cycle for every three years), Dolefil provides loans to farmers who are new to pineapple cultivation to cover initial investment and shares expertise regarding the improvement of production efficiency while purchasing harvested pineapples. At the same time, Dolefil supports the stability of the cultivation business. Dolefil also runs a program to build homes for employees who earned high scores based on such factors as their years of service and work attitude, thereby linking lifestyle infrastructure support with productivity enhancement.

In addition, Dolefil is conducting initiatives in collaboration with regional governments and Mahintana Foundation, Inc. (MFI), an NGO spun out by Dolefil's CSR department. These initiatives include industry and employment creation,

Donation to school as a source of funds

Creating employment Ordering pupils' chairs from local carpenters

Recycling
Providing used wooden pallets to be used in making chairs

Community contribution
Contributing to the community through pupils' participation in afforestation activities

environmental protection and forest restoration, education, livelihood support, employee benefits, and health and safety. For example, Dolefil is conducting ongoing donations to regional schools. It accomplishes this by deducting five pesos per month from employee salaries and, with supplementation from Dolefil and the labor union,



A school built thanks to support from Dolefil and its employees

securing monetary figures that are five times the deducted amounts. Additionally, using the money from donations to order pupils' chairs from local carpenters creates employment. Dolefil also offers used pallets as lumber for the chairs, contributing to raw material recycling. In exchange for these donations, Dolefil is, among other initiatives, expanding participation in regional contribution by calling for children to take part in afforestation efforts. By ordering saplings for reforestation from local vendors, Dolefil creates a cycle of employment creation.

Dolefil's policies for creating shared values (CSV) expand the scope of the Social Fence by improving the livelihoods of local citizens through creating local employment. In this way, they are compatible with ITOCHU's *sampo yoshi* philosophy, which supports business sustainability and raises productivity and quality. Dolefil is recognized as a company with deep roots in the local community.

