

Human Resource Strategy

Cultivate a Motivating Workplace Environment

ITOCHU's management team is committed to creating a company that is challenging but rewarding to work for. With maximizing the "individual capabilities" of our streamlined workforce as an important management strategy, we have steadily improved labor productivity by enhancing the health and motivation of each employee and strengthening their sense of participation in business management.

The aforementioned initiatives have created a virtuous cycle in which a favorable external reputation enables us to recruit outstanding personnel even amid expected structural labor shortages and increased human resource mobility.

Going forward, we will continue introducing measures to make this virtuous cycle even more powerful.

Growth in Corporate Value through Improved Labor Productivity

- Received the Ministerial Award for Women-Empowering Companies 2020
- Company ranking among job-seekers according to 7 major institutions*
[All company] Ranked NO. 1 by 4 institutions
[General trading company] Ranked NO. 1 by all institutions

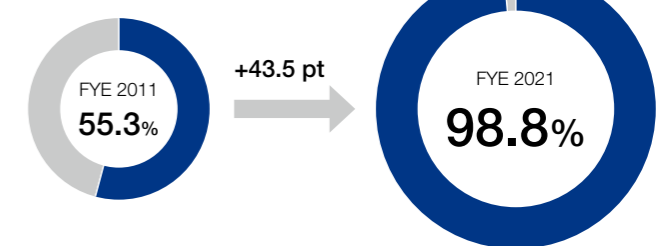
* From 2022 graduates, the Company received first-place rankings among all companies in the surveys of GAKUJO Co., Ltd., DIAMOND HUMAN RESOURCE, INC., Rakuten Group, Inc., and Nippon Cultural Broadcasting Inc., and received first-place rankings among general trading companies in the surveys of all seven institutions, which were the four said organizations and DISCO Inc., WORKSJAPAN Co., Ltd., and Mynavi Corporation.



Increase Awareness of Participation in Management (Shared Value with Shareholders)

INPUT	OUTCOME
Encouraging participation in the Employee Shareholding Association	• Participation in the Employee Shareholding Association in FYE 2021: 98.8%
Stock compensation scheme (from FYE 2020)	• Raising each employee's sense of participation in business management
Compensation highly linked to the Company's performance	• 40% of bonus amounts based on the Company's performance • Raising awareness of the Company's performance

Percentage of Membership in the Employee Shareholding Association



Developing Capabilities

INPUT	OUTCOME
Providing growth opportunities based on individuals' aptitudes and careers • Approx. ¥1.1 billion earmarked for investment in human resource development in FYE 2022	• Energizing all generations by improving each individual's job satisfaction
Empowering women • Fostering the next generation of managers through systematic provision of work experience	• Two female Outside Directors, two female Executive Officers* • 35 female corporate officers and divisional managers* • Percentage of women in management positions: 8%*
Increasing the number of Chinese-speaking employees (from FYE 2016)	• Employees with Chinese-language qualifications in FYE 2021: 1,231 (more than one-third of all career-track employees)

* As of April 2021

Pursuing Efficiency

INPUT	OUTCOME
Expanding and improving ICT infrastructure • Introducing thin-client terminals and digitalizing application forms • Advancing introduction of robotic process automation at each work site	• Realizing work styles that are resilient amid the COVID-19 pandemic • Allocating limited working hours to high-value-added work
Reducing excessive meetings and documents	• Increasing the flexibility of work styles and improving work efficiency
Morning-Focused Working System (from FYE 2014) • Shift from the tendency to work late-night to morning-focused working style • In principle, prohibit work after 8:00 p.m., and encourage to work in early morning (Offer free breakfast, provide a higher wage rate for people who start work before 8:00 a.m.)	• Improve operating efficiency and use time more effectively (Morning Activity Seminars, self-improvement, etc.) • Reduce overtime work, correcting the issue of long working hours

Results of Morning-Focused Working System

		Before introduction	One year after introduction	Average between sixth and eighth year after introduction
Leaving the office*1	8:00 p.m. or after	30%	7%	6%
	Of which, 10:00 p.m. or after	10%	Almost 0%	Almost 0%
Entering the office*1	8:00 a.m. or before	20%	34%	48%
Average overtime hours per month*2		—	(7%)	(5%)
Annual paid leave utilization rate*2		—	—	Increased 7%

*1 % of people in the headquarters

*2 Compared with the level before we introduced the Morning-Focused Working System



Improving Motivation

INPUT	OUTCOME
Infinite Missions Award (from FYE 2021) • Commending teams that have achieved results based on Guideline of Conduct	• Encouraging businesses based on market-oriented perspectives, SDG initiatives, and digitalization
Dress-down Days (from FYE 2018) • Allow employees to work in casual clothing from Tuesday through Friday (every day in summer)	• Expressing individuals' attitudes toward work through attire and raising employees' motivation and enjoyment of work • Realizing an environment that encourages an active interest in various matters, flexible thinking, and the formation of new ideas
Hiyoshi Dormitory (from FYE 2019) • The largest dormitory for single men among general trading companies (approx. 360 residents)	• Forming vertical, horizontal, and diagonal networks that transcend age and departments and building strong organizational cohesion

➡ For Engagement Survey results, please see page 117.

Enhancing Health

INPUT	OUTCOME
ITOCHU Health Charter (from FYE 2017) • Approx. ¥13.0 million earmarked for health and productivity measures in FYE 2022	• Increase employee motivation and sense that work is worthwhile
Support Measures for Balancing Cancer Care and Work (from FYE 2018) • Regular special checkups in cooperation with the National Cancer Center Research Institute • Establish systems individually to encourage the balance between treatment and work tasks • Provide full Company assistance for expenses for advanced cancer treatment • Provide schooling and work support for bereaved family members	• Create an environment where employees can feel secure and devote their full attention to work • Nearly 100% screening among people targeted for cancer screening in FYE 2021 • Providing an individual employee support system by health nurses

COVID-19 Countermeasures

INPUT	OUTCOME
• Conducting workplace vaccinations, all aspects of which are arranged by the Company, including medical resources and vaccination sites • Collaborating with Tokyo Women's Medical University Hospital	• Establishing environments in which employees can work with peace of mind even amid the COVID-19 pandemic • Providing know-how on workplace vaccinations to external parties