

Editorial Policy

In compiling this annual report, ITOCHU focuses on three functions in particular: (1) providing an in-depth understanding of its unique business model to a wide range of readers around the world, (2) effectively explaining the processes and potential for ITOCHU to achieve sustainable growth in corporate value over the long term, and (3) clearly communicating the relationship between management strategies and financial and non-financial capital to internal and external stakeholders to foster the virtuous cycle of cultivating mutual understanding through dialogue and achieving a greater level of management sophistication for the Company.

We have prepared Annual Report 2023 based on the aforementioned approach, and with reference to a disclosure framework for integrated

reports. This year's report places particular emphasis on our strategic focus and future orientation, connectivity, and consistency. Further, as in the past, we have used the "Corporate Value Calculation Formula" to clearly establish the link between our management strategies and initiatives, and the enhancement of our corporate value. Please review this report as an account of our value creation story, which aims to achieve a balance between our "financial capital" and "non-financial capital" based upon "Sampo-yoshi" as our corporate mission, and our business model evolution process in the current uncertain business environment.



* Corporate Value Calculation Formula



Reporting Scope and Other Items

Reporting Period: April 1, 2022 to March 31, 2023 (Certain contents include activities occurring in or after April 2023.)

Reporting Scope: ITOCHU Corporation and the ITOCHU Group

Accounting Standards: Unless otherwise noted, this annual report is prepared in accordance with U.S. GAAP through FYE 2014, and with IFRS from FYE 2015.

Terminology: Unless otherwise noted, throughout this report, "consolidated net profit" is used to refer to "net profit attributable to ITOCHU." Moreover, "GHG" is used to refer to "greenhouse gas." FamilyMart refers to both FamilyMart Co., Ltd. and FamilyMart convenience stores, CITIC refers to CITIC Limited, and CTC refers to ITOCHU Techno-Solutions Corporation.

Detailed Financial Information

For detailed financial information for FYE 2023, please refer to the Financial Information Report.

<https://www.itochu.co.jp/en/files/FIR2023E.pdf>

Information about Sustainability

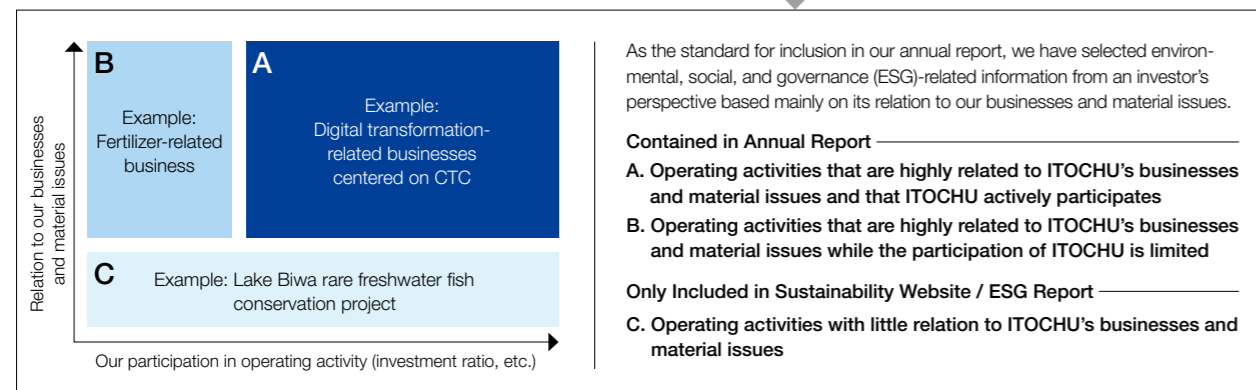
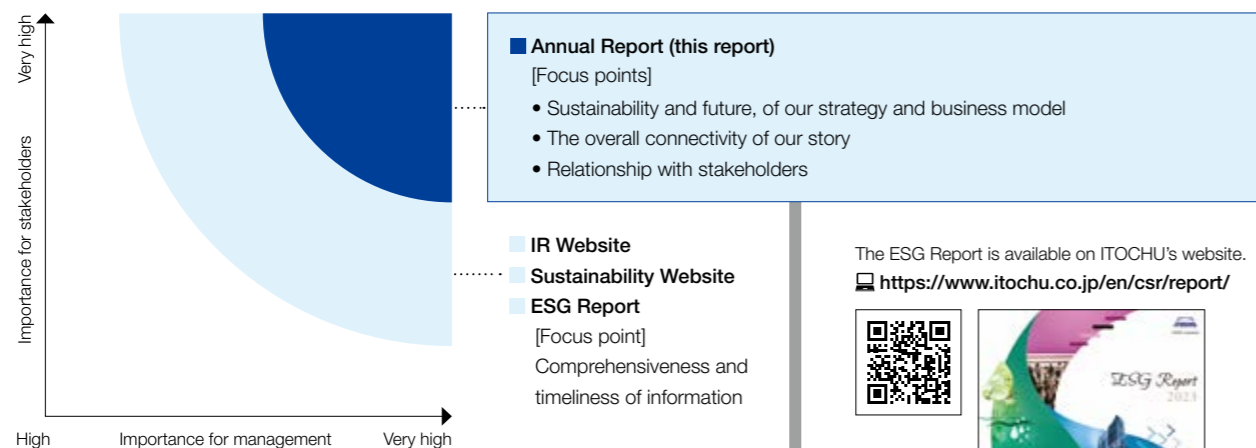
For more information on sustainability, please refer to ITOCHU's website.

<https://www.itochu.co.jp/en/csr/>

- Top commitment
- Sustainability at the ITOCHU Group
- ESG Report (Environment, Society, Governance)
- Social contribution activities
- GRI standard reference table, etc.

Inquiries for Annual Reports

Investor Relations Division ☎+81 (3)-3497-7295



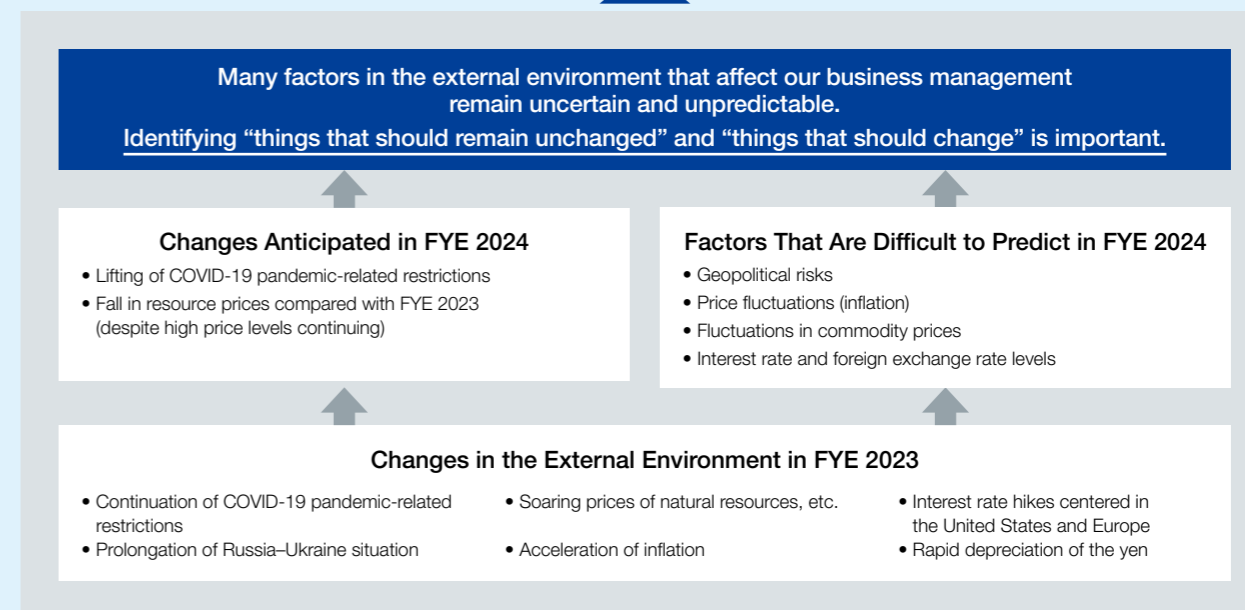
Key Points of Annual Report 2023

Key Points of Annual Report 2023

Annual Report 2023 continues to logically arrange information by using the established "Corporate Value Calculation Formula," and the concept that the Chairman & CEO gives an overview of management strategies, while each officer explains the details of strategies focused on their area of responsibility. The report also aims to achieve the balance between "financial capital" and "non-financial capital" to ensure the sustainability of the Company, by featuring and explaining the process of self-transformation (polishing our existing business and new steppingstones for the future) of business models in the non-resource sector, which is the Company's strength, and the human resource strategy that focuses on the most important management resource of general trading companies, "people," particularly in the uncertain business environment including concerns over the economic downturn and geo-political risks. Furthermore, the Annual Report has been created with the perspective explaining the "ITOCHU-ness" that constantly takes preemptive measures by sufficiently distinguishing between "things that should not be changed" and "things to change" in the era of transformation.



- Overview of management strategies ▶Page 6
- Analysis of macroenvironmental factors ▶Page 74 ▶Page 99
- Risk factors / key points for investments ▶Page 42 ▶Page 50
- Financial and capital strategies, and cash allocation ▶Page 54
- Polishing our existing business and new steppingstones for the future ▶Page 65
- Human resource strategy ▶Page 30 ▶Page 36
- Climate change-related issues ▶Page 12 ▶Page 78
- Group CEO Office and Governance ▶Page 43 ▶Page 91



Key Points of Annual Report 2022

Annual Report 2022 used the "Corporate Value Calculation Formula" to logically organize the driving forces behind and initiatives implemented to enhance corporate value. Also, the Chairman & CEO provided an overview of management strategies and priority initiatives, while each officer explained the details of strategies focused on their area of responsibility. Furthermore, by providing examples of business model transformation, and explanations of the countermeasures for country risks and other risks, and our human resource strategy and governance that encompass the advancement of women, we sought to prepare an Annual Report that heightens trust in our management's capabilities to respond to changes in the external environment.



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(Integrated Report)

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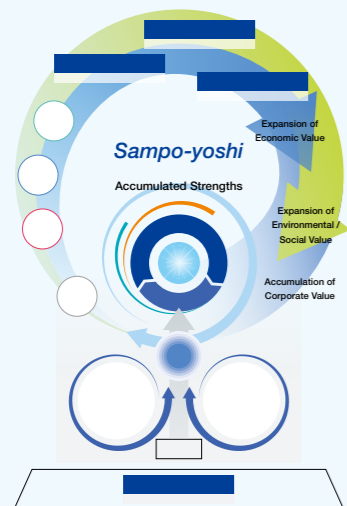


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$$\text{Corporate Value} = \frac{\text{Created Value}}{\text{Cost of Capital} \times \text{Growth Rate}}$$

POINT:

Non-financial capital is the very essence of corporate value and the driving force for ITOCHU's virtuous cycle of sustainable enhancement of corporate value. This section explains our four strengths accumulated over the Company's history, their relationships with management strategies and material issues, and our unique human resource strategies, etc.

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$$\text{Corporate Value} = \frac{\text{Created Value}}{\text{Cost of Capital} \times \text{Growth Rate}}$$

POINT:

In enhancing the level of trust with respect to the credibility of realizing our medium- to long-term management strategies, we believe it is important to steadily achieve short-term targets in each fiscal year and maintain continuity of management strategies. With this in mind, we highlight our track record of achievements of goals and our commitment to the current short-term goals, etc.

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$$\text{Corporate Value} = \frac{\text{Created Value}}{\text{Cost of Capital} \times \text{Growth Rate}}$$

POINT:

This section describes our financial and capital strategies, and our approach and priorities of business investment with the goal of staying on a trajectory of solid growth over the medium- to long-term. In addition, we provide specific examples of businesses that simultaneously promote both polishing our existing businesses and new steppingstones for the future.

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$$\text{Corporate Value} = \frac{\text{Created Value}}{\text{Cost of Capital} \times \text{Growth Rate}}$$

POINT:

This section outlines initiatives that, in light of PEST analysis of the short-term and medium- to long-term business environment, ITOCHU is promoting approach to climate change, sustainability and corporate governance policies and systems, etc. These initiatives are aimed at enhancing the sustainability of corporate value and lowering the cost of capital.

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Explanation of the Cover

After the lifting of COVID-19 pandemic-related restrictions, everyday life has returned. While the way we live, work, and socialize have undergone dramatic changes in the past few years, ITOCHU always stands by people and continues to create businesses based upon "Sampo-yoshi." The cover expresses ITOCHU's unwavering principles as a "merchant."

Forward-Looking Statements

Data and projections contained in this report are based on the information available at the time of publication, and various factors may cause actual results to differ materially from those presented in such forward-looking statements. ITOCHU Corporation, therefore, wishes to caution that readers should not practice undue reliance on forward-looking statements, and further, that ITOCHU Corporation has no obligation to update any forward-looking statements as a result of new information, future events or other developments.