

Since 2011, ITOCHU has formulated and implemented a total of five medium-term management plans, starting with Brand-new Deal 2012 and most recently Brand-new Deal 2023. Typically, FYE 2025 would be the time to announce a new medium-term management plan. However, considering the rapidly changing global situation, we have decided to discontinue the formulation of a three-year plan, as it could be significantly affected by factors such as exchange rates and resource prices, instead of simply following past precedents. To provide more useful information to our stakeholders, we have decided to establish a Management Policy that will serve as a long-term management compass, and announce it together with a single-year management plan, which we can confidently promise for the upcoming year.

We have titled our Management Policy “The Brand-new Deal” to signify the continuation of the fundamental principles and management methods that have supported our growth over the past decade.

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 marketing 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 more The higher of 30% dividend payout ratio or dividend ¥200 per share

Enhancement of Corporate Brand Value: Enhancement in Qualitative Aspects

- 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	<ul style="list-style-type: none"> • Continuing to secure outstanding human resources by maintaining our position as the No. 1 company selected by students • Continuously cultivating a diverse pool of management talent based on their capabilities, regardless of age or gender, through our Executive Officer appointment policy • Improving employees' willingness to contribute by realizing “challenging but rewarding workplace” and pursue further labor productivity (▶ Page 78 Human Resource Strategy to Enhance Corporate Value)
Strengthening Dialogue with Stakeholders	<ul style="list-style-type: none"> • Building and accumulating trust through actively incorporating insights gained from a wide range of dialogues into our management (▶ Page 5 Contents that addresses the expectations and frequently asked questions from stakeholders) • Enhancing our presence through expanding our contact points with consumers through unique channels and businesses
Enhancing Our Contribution to and Engagement with the SDGs through Business Activities	<ul style="list-style-type: none"> • Continuously responding to social demand by aiming to balance both sustaining the basic policies outlined in the previous medium-term management plan and promoting businesses that contribute to GHG emissions reduction (Resolving social Issues by addressing material issues) (▶ Page 70 Initiatives to Promote Sustainability)

Grow Earnings: No Growth without Investments

▶ Page 52 Our Business Model, as Seen through Business Development

- Accelerate growth investments starting from a downstream, leveraging a stable business foundation, to grow earnings
- Strive for further growth through the expansion of business areas and strengthening and expanding business foundation



Market-Oriented Perspective

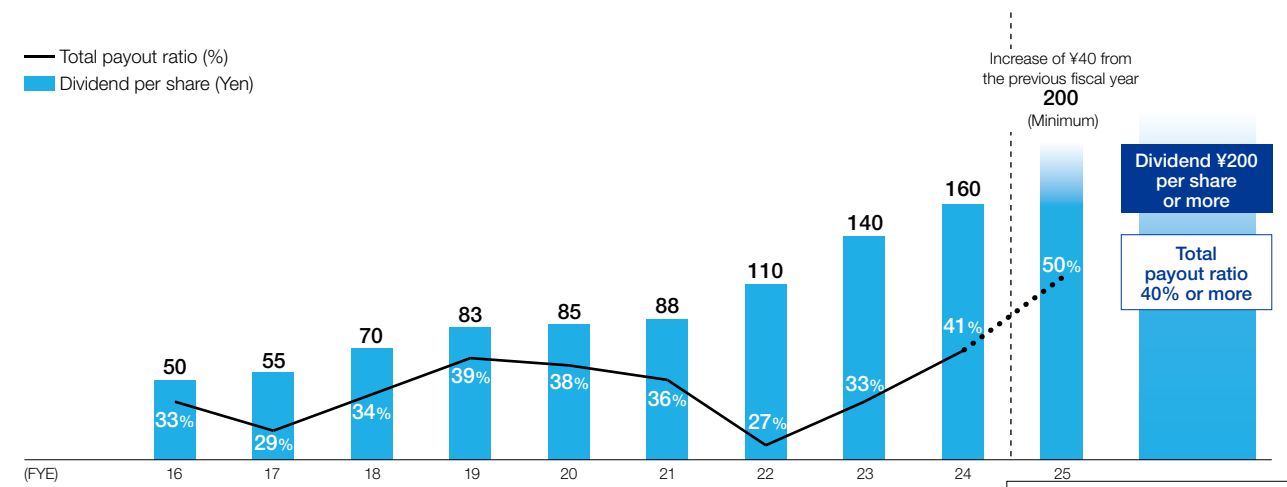
Developing and Evolving Downstream Businesses That Are Closer to Consumers

Maximizing synergies by horizontal collaboration among Division Companies
Business transformation and creation through business integration

Shareholder Return / Financial Policy

▶ Page 30 CFO Message

Shareholder Return Policy	Total Payout Ratio	40% or more
	Dividends	<p style="text-align: center;">The higher of 30% payout ratio or dividend of ¥200 per share</p> <p style="text-align: center; font-size: small;">While based on the principle of 30% payout ratio, also consider the minimum dividend of ¥200 per share with an eye to the profit stage in the future</p>



The Brand-new Deal

Share buybacks (Billions of yen)	16.2	27.9	68.0	62.0	13.5	60.0	60.0	100.0	150.0 (Disclosed)	Execute share buybacks actively and continuously
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Financial Policy

Maintaining financial foundation based on balancing three factors
(Growth investments, shareholder returns, and control of interest-bearing debt)