



Corporate Governance

Continuously updating the governance system

In order to strengthen the management foundation that supports the sustainable enhancement of corporate value, we have continuously undertaken various initiatives and have constantly upgraded our management foundation. Rather than necessarily pursuing innovation in form, we place emphasis on substance with the aim of realizing an enhancement of our corporate value, and will continue to listen to the voices of the market and society as we work to build an optimal governance system.

FYE 2016 to 2017	FYE 2018 to 2019	FYE 2020 to 2021	FYE 2022 to 2023	FYE 2024 to 2026
<ul style="list-style-type: none">Establishment of a Nomination Committee and a Governance and Remuneration CommitteeIncrease in number of Outside Directors	<ul style="list-style-type: none">Transition to a Board of Directors with a monitoring-focused structureAbolition of the consultant and advisor system	<ul style="list-style-type: none">Maintain a ratio of Outside Directors of at least one-thirdFormulate ITOCHU's Policy on the Governance of Its Listed Subsidiaries	<ul style="list-style-type: none">Establishment of the Women's Advancement CommitteeAppointment of two outside officers with experience in corporate management	<ul style="list-style-type: none">Reorganized into Governance, Nomination and Remuneration CommitteeAforementioned committee chaired by an Outside Director and has a majority of Outside Directors as members

Members of the Board

As of July 18, 2025



Chairman & Chief Executive Officer
Masahiro Okafuji
1974 Joined ITOCHU Corporation
2018 Chairman & Chief Executive Officer
Number of shares held: 568,143
(308,008*)



President & Chief Operating Officer, CSO
Keita Ishii
1983 Joined ITOCHU Corporation
2025 President & Chief Operating Officer, CSO
Number of shares held: 284,572
(177,958*)



Member of the Board
Fumihiko Kobayashi
Chief Administrative Officer
1980 Joined ITOCHU Corporation
2021 Executive Vice President
Number of shares held: 259,724
(140,936*)



Member of the Board
Tsuyoshi Hachimura
Chief Financial Officer
1991 Joined ITOCHU Corporation
2021 Executive Vice President
Number of shares held: 260,475
(138,167*)



Member of the Board
Hiroyuki Tsubai
President, Machinery Company; Deputy COO
1982 Joined ITOCHU Corporation
2023 Executive Vice President
Number of shares held: 153,806 (81,743*)



Member of the Board
Hiroyuki Naka
Chief Transformation Officer; General Manager, Group CEO Office
1987 Joined ITOCHU Corporation
2022 Executive Officer
Number of shares held: 65,563 (40,354*)



Member of the Board*2
Masatoshi Kawana
2018 Outside Director, ITOCHU Corporation
Number of shares held: 13,300



Member of the Board*2
Makiko Nakamori
2019 Outside Director, ITOCHU Corporation
Number of shares held: 13,300



Member of the Board*2
Kunio Ishizuka
2021 Outside Director, ITOCHU Corporation
Number of shares held: 5,400



Member of the Board*2
Akiko Ito*3
2023 Outside Director, ITOCHU Corporation
Number of shares held: 1,500

Audit & Supervisory Board Members

As of July 18, 2025



Audit & Supervisory Board Member
Yoshiko Matoba
1986 Joined ITOCHU Corporation
2023 Audit & Supervisory Board Member
Number of shares held: 50,306



Audit & Supervisory Board Member
Makoto Kyoda
1987 Joined ITOCHU Corporation
2020 Audit & Supervisory Board Member
Number of shares held: 30,210



Audit & Supervisory Board Member*4
Kentaro Uryu
2015 Audit & Supervisory Board Member
Number of shares held: 9,300



Audit & Supervisory Board Member*4
Tsutomu Fujita
2023 Audit & Supervisory Board Member
Number of shares held: 200



Audit & Supervisory Board Member*4
Kumi Kobayashi*5
2023 Audit & Supervisory Board Member
Number of shares held: 500

For executives' career profiles, please refer to ITOCHU's website.
<https://www.itochu.co.jp/en/about/officer/>

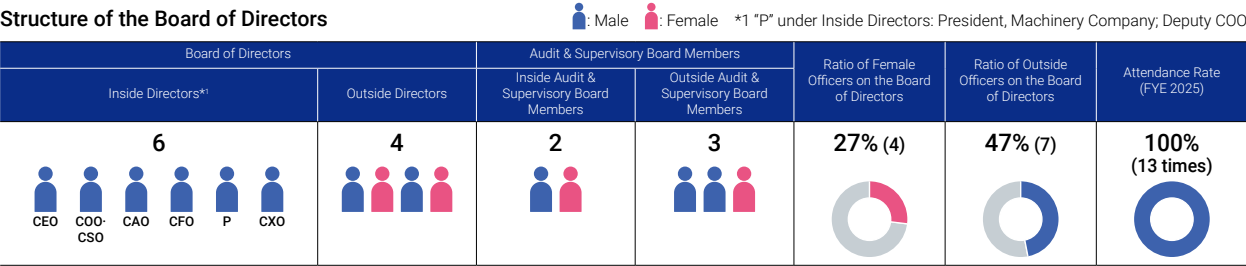
For a list of Executive Officers and the number of shares they hold, please refer to ITOCHU's website.
https://www.itochu.co.jp/en/files/ar2025E_11.pdf

*Number of shares held" indicates the number of ITOCHU shares.
*1 Figures indicate the number of shares scheduled to be granted post-retirement based on the stock remuneration plan (figures corresponding to points for rights determined under the performance-linked stock remuneration plan (trust type)). The number of shares held includes these shares.
*2 Indicates an Outside Director as provided in Article 2, Item 15 of the Companies Act.
*3 Registered name is Akiko Noda.
*4 Indicates an Outside Audit & Supervisory Board Member as provided in Article 2, Item 16 of the Companies Act.
*5 Registered name is Kumi Nojiri.
* In FYE 2013, ITOCHU established Guidelines for Share Ownership of ITOCHU Stock for Executive Officers designed to align executives with shareholders and increase their commitment to enhancing the share price of ITOCHU. Guidelines for Share Ownership of ITOCHU Stock for Executive Officers: The guidelines for stock ownership by executive officers are as follows. Chairman / President 100,000 shares, Executive Vice President 50,000 shares, Senior Managing Executive Officer 40,000 shares, Managing Executive Officer 30,000 shares, Executive Officer 20,000 shares, newly appointed officers 13,000 shares effective after April 1, 2024.

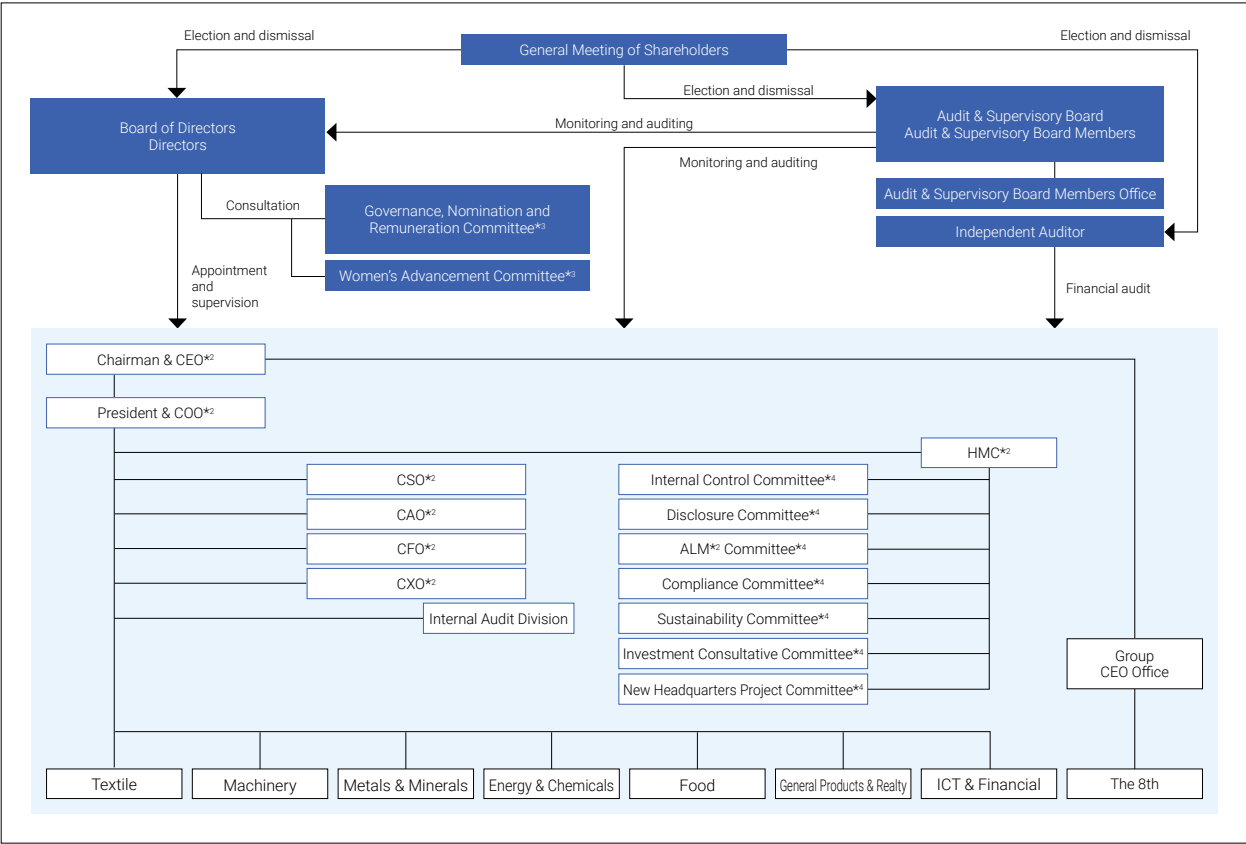
Corporate Governance System

POINT Establishment and Enhancement of a Governance System Focused on Substantive Effectiveness

As a corporation with the Audit & Supervisory Board (*Kansayaku secchi kaisha*), ITOCHU has adopted a governance system centered on the Board of Directors, where Outside Directors account for at least one-third of members. The system also includes advisory committees to the Board of Directors, with more than half of the members being Outside Directors, and an Audit & Supervisory Board, at least half of which is composed of Outside Audit & Supervisory Board Members. Through a well-developed system for the provision of information and provision of support to outside officers, the Board has established effective ways to ensure that the supervision of business execution is appropriate from outside perspectives, which is to say from the perspectives of the public and general shareholders. Taking into account the Corporate Governance Code and feedback from the market, we are committed to continually reinforcing a governance system that prioritizes substantive effectiveness.



Overview of Corporate Governance and Internal Control System (As of July 1, 2025)



*2 CEO = Chief Executive Officer, COO = Chief Operating Officer, CSO = Chief Strategy Officer, CAO = Chief Administrative Officer, CFO = Chief Financial Officer, CXO = Chief Transformation Officer, HMC = Headquarters Management Committee, ALM = Asset Liability Management
*3 Established advisory committees under the Board of Directors to enhance the transparency of the decision-making process and strengthen supervisory functions.
*4 Chairperson is indicated in parentheses. Internal Control Committee (CAO): Deliberates on issues related to the development of internal control systems. Disclosure Committee (CFO): Deliberates on issues related to business activity disclosure and on issues related to the development and operation of internal control systems in the area of financial reporting. ALM Committee (CFO): Deliberates on issues related to risk management systems and balance sheet management. Compliance Committee (CAO): Deliberates on issues related to compliance. Sustainability Committee (CAO): Deliberates on issues related to sustainability, the SDGs, and ESG, excluding governance-related issues. Investment Consultative Committee (CXO): Deliberates on issues related to investment and financing. New Headquarters Project Committee (President & COO; CSO): Deliberates on issues related to new headquarters project.

For more information about our internal control system, please refer to the Internal Control System page on ITOCHU's website.
https://www.itochu.co.jp/en/about/governance_compliance/control/

We are establishing a governance system that strengthens our earning power by promoting appropriate risk-taking through the continuous enhancement of the effectiveness of the Board of Directors.



Evaluation of the Effectiveness of the Board of Directors

We appoint external consultants to ensure objectivity and conduct an annual evaluation of the effectiveness of the Board of Directors. We formulate and implement specific measures to address issues identified in previous evaluations, and by repeatedly evaluating the formulated measures and identifying new issues, we are able to continuously maintain and improve the effectiveness of the Board of Directors.

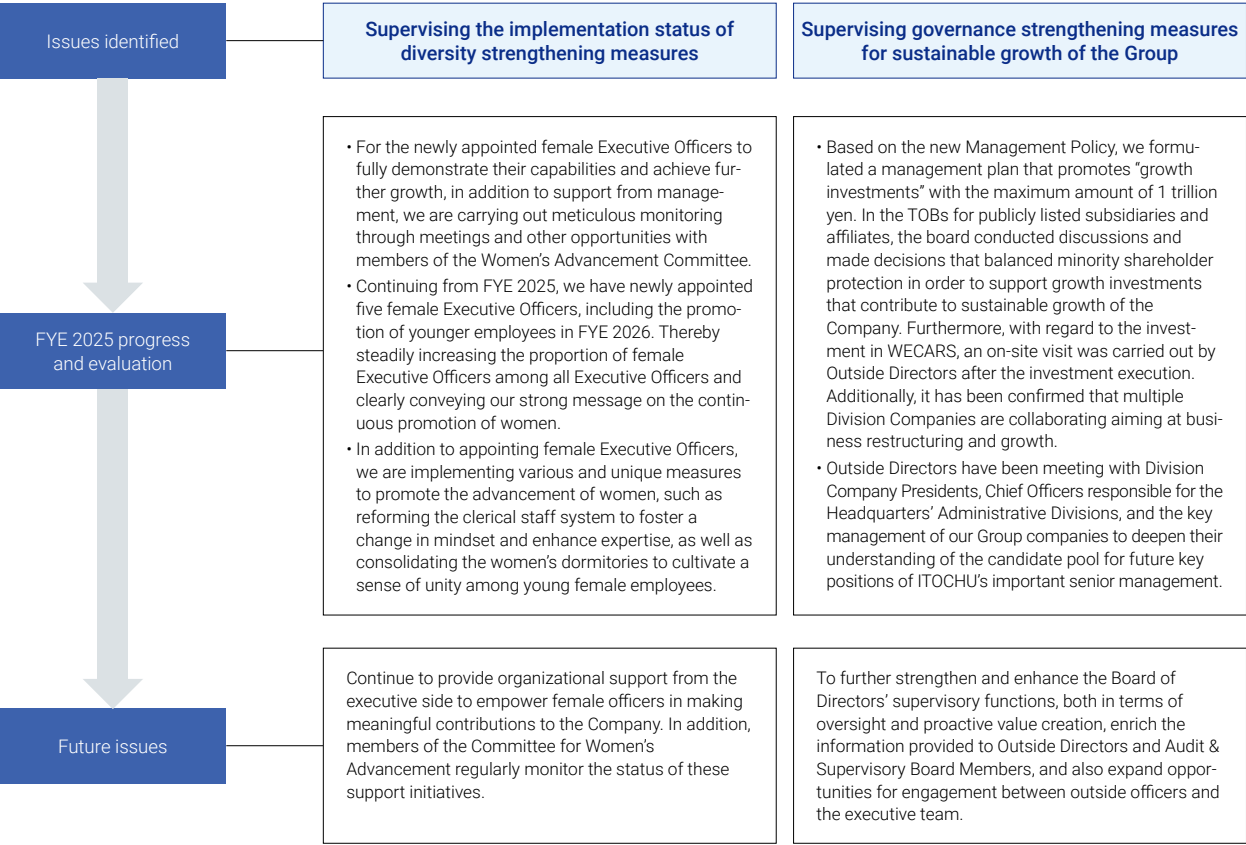
In the FYE 2025 evaluation, the quantitative evaluation score reached a new record high, and we confirmed high effectiveness in all six evaluation themes. Qualitative issues that should be addressed in the medium- to long-term include "supervising the implementation status of diversity strengthening measures and discussions aimed at further advancement" and "supervising governance strengthening measures for sustainable growth of the Group," and we have recognized that the Board of Directors should continue to take further steps, as in previous years.

In addition, we are continuously taking measures to improve the operation of the Board of Directors beyond the issues identified, such as changing the operation method to reflect the opinions of Outside Directors on the frequency and themes of business execution status reports. Regarding the evaluation of the effectiveness of the Board of Directors, we will not limit ourselves at a formal evaluation, but will steadily make detailed improvements to achieve an improvement in effectiveness that is unique to our Company.

Procedure for Evaluation of the Board of Directors

Respondents	All 11 Members of the Board and all 5 Audit & Supervisory Board Members in FYE 2025
Implementation and Evaluation Method	Step 1: Enlist external consultants to conduct questionnaires and individual interviews with each member (anonymous responses) Step 2: Have external consultants compile and analyze respondents' answers Step 3: Conduct analysis at the Governance, Nomination and Remuneration Committee with reference to the compiled answers and analysis of the external consultants Step 4: Conduct analysis and evaluation at the Board of Directors
Items Covered by Questionnaire	<ul style="list-style-type: none">Structure of the Board of DirectorsRole and duties of the Board of DirectorsInformation provision and training for Members of the Board and Audit & Supervisory Board MembersStructure of advisory committees to the Board of Directors, etc.Operation status of the Board of DirectorsOther important themes

Response in FYE 2025 to Issues Identified in the FYE 2024 Evaluation





Director Selection Criteria and Skills Matrix

POINT Appointment of Directors with a Focus on the Quality of Decision-Making

In order to effectively supervise management and decide important business matters as the Board of Directors of a general trading company with broad range of business, candidates for Director must possess a deep understanding of our businesses and have diverse perspectives and experience.

In principle, Internal Directors are selected from among the Chairman, President, Chief Officers responsible for the Headquarters' Administrative Divisions, and one appropriate Division Company President. Outside Directors are selected based on their ability to contribute to management through the insights gained from their professional experience in various fields, and the proportion of Outside Directors is maintained at one-third or more to improve the supervisory function of the Board of Directors.

The proposal for candidates for Directors is created by the Chairman by taking into consideration diversity such as knowledge, experience, gender and internationality, and submitted to the Governance, Nomination and Remuneration Committee for further deliberation before the Board of Directors finally nominates the candidates.

Skills Matrix of Corporate Officers and Structure of Advisory Committees

The areas in which Inside Directors have knowledge and experience are indicated by the symbol ○. Of these areas, those in which they are expected to make particular contributions are indicated by the symbol ◎. To fully utilize the professional perspectives and high level of insight of each outside officer and Full-time Audit & Supervisory Board Member, the areas in which they are expected to make a particular contribution are indicated by the symbol ●, after consultation with each officer.

Name	Role	Number of Years in Office*1	Main Role, Career History, Qualifications, etc.	Principal Specialized Area of Experience / Areas in Which Officers Are Expected to Make a Particular Contribution										Governance, Nomination and Remuneration Committee	Women's Advancement Committee*2
				All Aspects of Management	Global		Marketing / Sales	Self-Transformation / Digital Transformation	SDGs & ESG	Health & Medical Care	Finance, Accounting & Risk Management	Human Resource Strategy	Internal Control & Legal Affairs / Compliance		
Masahiro Okafuji	Chairman & Chief Executive Officer Representative Director	21 years	President, Textile Company; President & CEO, ITOCHU Corporation	◎	○		◎	○	○	○	○	○	○	□	
Keita Ishii	President & Chief Operating Officer Representative Director	4 years	CEO for Indo-China Bloc; President, Energy & Chemicals Company, Chief Strategy Officer, ITOCHU Corporation	◎	○		◎	○	○	○	○	○	○	□	
Fumihiko Kobayashi	Representative Director	10 years	General Manager of Human Resources & General Affairs Division; Chief Administrative Officer, ITOCHU Corporation	○	○			○	◎	○	○	◎	○	□	□
Tsuyoshi Hachimura	Representative Director	10 years	General Manager of Finance Division; Chief Financial Officer, ITOCHU Corporation	○	◎		○	○	○		◎	○	○		
Hiroyuki Tsubai	Representative Director	3 years	CEO for Africa Bloc; CEO for Europe Bloc; President, Machinery Company, Deputy COO, ITOCHU Corporation	○	◎		◎	○	○		○	○	○		
Hiroyuki Naka	Representative Director	3 years	General Manager of Corporate Planning & Administration Division, Chief Digital & Information Officer, Chief Strategy Officer, Chief Transformation Officer, ITOCHU Corporation	○	○		○	◎	○		◎	○	○		
Masatoshi Kawana	Outside Director	7 years	Vice-president of Tokyo Women's Medical University Hospital; Doctor of Medicine	●					●	●				■	
Makiko Nakamori	Outside Director	6 years	Certified Public Accountant in Japan					●			●		●	□	■
Kunio Ishizuka	Outside Director	4 years	President and CEO / Chairman, Isetan Mitsukoshi Holdings Ltd.	●			●					●		□	
Akiko Ito	Outside Director	2 years	Commissioner, Consumer Affairs Agency						●	●		●		□	□
Yoshiko Matoba	Full-time Audit & Supervisory Board Member	2 years	General Manager of Research & Public Relations Division, General Manager of Human Resources & General Affairs Division, ITOCHU Corporation		●				●			●			□
Makoto Kyoda	Full-time Audit & Supervisory Board Member	5 years	CFO, Food Company, ITOCHU Corporation						●		●		●		
Kentaro Uryu	Outside Audit & Supervisory Board Member	10 years	Managing Partner, URYU & ITOGA; Attorney-At-Law in Japan				●				●		●	※	
Tsutomu Fujita	Outside Audit & Supervisory Board Member	2 years	Vice Chairman and a board member, Citigroup Global Markets Japan Inc.	●	●						●				□
Kumi Kobayashi	Outside Audit & Supervisory Board Member	2 years	Certified Public Accountant in Japan; Certified Public Tax Accountant in Japan					●			●		●		□

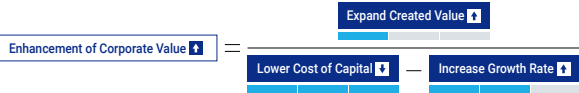
*1 Number of Years in Office indicate tenure of Directors and Audit & Supervisory Board Members.
*2 In addition to the members shown above, the General Manager of the Human Resources & General Affairs Division is a member of the Women's Advancement Committee.
* Harufumi Mochizuki and Atsuko Muraki, both of whom are former Outside Directors of the Company; Kotaro Ohno, former Outside Audit & Supervisory Board Member of the Company; and Shotaro Yachi provide advice on the business management of the Company in their capacities as members of the Advisory Board, enabling their extensive experience and expertise to be utilized in the business management of the Company.

■ Chair □ Member ※ Observer

Reasons for the Selection of Areas of Knowledge and Experience and for the Selection of Areas in Which Officers Are Expected to Make a Particular Contribution

Area	Reasons for Selection
All Aspects of Management	• To oversee the broad range of business fields as a general trading company and gain control over management • To formulate business plans and strategies aimed at enhancing corporate value
Global	• To maintain and expand global business operations based on an understanding of different cultures and geopolitics
Marketing / Sales	• To promote "Earn" measures through market-oriented perspective and leveraging sales capabilities as a merchant
Self-Transformation / Digital Transformation	• To transform ourselves in response to changes in the external environment while demonstrating our comprehensive strength as a general trading company • To promote digital transformation expected to swiftly contribute to profit, such as by improving supply chain efficiency through utilization of existing business foundations
SDGs & ESG	• To address the seven identified material issues, including addressing climate change, through our core business and contribute to accomplishing the Sustainable Development Goals (SDGs)
Health & Medical Care	• To enhance our workforce capabilities by further strengthening the health of our employees, who are the most valued management resources of ITOCHU
Finance, Accounting & Risk Management	• To continuously promote the "Earn, Cut, Prevent" principles through building a firm financial base, preparing accurate financial reports, and conducting risk analysis for judgment of projects such as M&A
Human Resource Strategy	• To promote the enhancement of corporate value more effectively through the evolution of human resource strategies, such as work-style reforms
Internal Control & Legal Affairs / Compliance	• To promote "Prevent" measures by ensuring that the management's monitoring and supervisory functions are properly exercised, thereby securing appropriate and efficient business operations

Through the diverse activities of our Outside Directors and thorough discussions within advisory committees, we ensure effective oversight of business execution and provide highly practical recommendations aimed at further growth.



Activities of Outside Directors

POINT Driving Sustainable Growth through Diverse Activities

Major Activities of Outside Directors (FYE 2025)

Details of Activities	Number of Activities
Board of Directors	13 times
Participate in Pre-briefings for the Board of Directors	10 times
Advisory Committee	7 times
Interviews with Executive Officers (Division Company Presidents, Officers in charge of Headquarters' Administrative Divisions, Senior Operating Officers, Executive Officers)	19 times (total 24 persons)
Meeting with the presidents of the Group companies	10 times
Meeting with analysts and institutional investors	2 times
Site visits to global operations and the Group companies	3 times

For a summary of the dialogue between our Outside Directors and institutional investors, please refer to ITOCHU's website.

<https://www.itochu.co.jp/en/ir/doc/presentation/#dialogue>

Discussion of Individual Cases: Example of the Privatization of DESCENTE LTD.

In FYE 2025, we executed a tender offer (TOB) with the aim of taking DESCENTE LTD. private. Our objective is to accelerate the company's growth by leveraging our expertise to strengthen brand management and production collaboration, enhance and expand its overseas business, and create new business opportunities. In advancing this initiative, the following two proposals were formally submitted to the Board of Directors: a policy proposal to commence negotiations, and an execution proposal requesting approval of a TOB price of ¥4,350 per share (total purchase amount: ¥182.6 billion) after a total of eight proposal submissions and related negotiations. Numerous questions and opinions were expressed by outside officers, leading to active and constructive discussions.

Main Opinions from Outside Directors	<ul style="list-style-type: none">• The need to build a DX foundation by learning from industry peers with strong market valuations• Importance of promoting initiatives to realize synergies and ensure the appropriateness of investment variance
Main Opinions from Outside Audit & Supervisory Board Member	<ul style="list-style-type: none">• Importance of realizing synergies with consideration for impairment risk• Importance of PMI• Importance of examining backup plans in case of deviations from synergy plans• Importance of negotiations that appropriately take into account capital market evaluations

Overview of Advisory Committees

(As of July 1, 2025)

Committee	Role	FYE 2025 Activities Number of Meetings	Ratio of Outside Directors
Governance, Nomination and Remuneration Committee	<ul style="list-style-type: none">• Matters related to the nomination and dismissal of management (Nomination and dismissal of Executive Officers; Delegation and revocation of authority for Senior Operating Officers; nomination and dismissal of candidates for Directors and Audit & Supervisory Board Members; Dismissal of Directors and Audit & Supervisory Board Members; Selection and dismissal of responsible Directors and Officers)• Review of succession planning• Remuneration systems for Executive Officers and Directors• Deliberation on other governance-related matters	Number of meetings: 5 Attendance of committee members: All committee members attended Main agenda items: Deliberation on the introduction of a new Restricted Stock Compensation System (RS), etc.	57% (4)
Women's Advancement Committee	<ul style="list-style-type: none">• Deliberate and advise the Board on proposals relating to policies, strategies, and promotion measures to promote the empowerment of female employees	Number of meetings: 2 Attendance of committee members: One member was absent from one of the two meetings Main agenda items: Deliberation on review of the clerical staff system, etc.	57% (4)

Message from Outside Director



Outside Director

Akiko Ito

Ms. Ito served as Commissioner of the Consumer Affairs Agency after playing other vital roles. As Director General of the Housing Bureau, she became the first female Director in the Ministry of Land, Infrastructure, Transport and Tourism. Subsequently, she served as Councillor in the Cabinet Secretariat, Director General for Regional Revitalization, Secretariat of the Headquarters for Overcoming Population Decline and Vitalizing Local Economy in Japan. She brings extensive knowledge on consumer issues. She assumed her position as a member of the Board of Directors at ITOCHU in June 2023. As of FYE 2026, she serves as a member of the Women's Advancement Committee and the Governance, Nomination and Remuneration Committee.

Pursuing Effective Governance through Diverse Activities

As an Outside Director, it goes without saying that I participate in Board of Directors, including Pre-briefings. However, a distinctive feature of our company is the wide range of activities in which I engage, such as meetings with executives and presidents of our Group companies, and site visits to these companies. These meetings are carefully arranged to reflect the intentions of the Outside Directors, and are typically conducted individually with each executive. Topics discussed are wide-ranging, covering not only business explanations but also current and future challenges, approaches of organizational management, and work styles. These meetings are, in effect, held in a close and direct setting, serving as an opportunity for open and candid exchanges of views. By fostering a deeper understanding that cannot be gained from written reports or brief presentations, these meetings contribute to more informed decision-making by the Board of Directors. They also offer valuable insights into the character and potential of management candidates, serving as an important foundation for succession planning and overall organizational management.

Another important strength of ITOCHU is our ability to make swift and steady improvements. As more high-profile projects have come up for discussion, we asked that information be shared with Outside Directors even before these issues are officially submitted to the Board of Directors. Our request was met immediately, allowing information to be shared and opinions to be exchanged from the early stages.

Looking ahead, what I would like to see further in the future are human resource development and supporting the growth of our Group companies. During my 2024 visits to ETEL*, which operates the U.K.'s largest tire retailer, Kwik-Fit, and to WECARS Co., Ltd., where I serve as an Outside Director, I was particularly impressed by the dedication of secondees working on the front lines. In the public sector as well, it is common for staff to be seconded from central government to local governments. Such secondments offer valuable opportunities to gain experience on the front lines, build networks both inside and outside the organization, strengthen communication skills, and learn management practices. At WECARS Co., Ltd., secondees are working closely with front-line employees to newly establish the "Prevent" measure, and based on this, have moved forward to the "Earn" and "Cut" phases. Across the ITOCHU Group, I hope to see even greater emphasis on human resource development, not only for secondees but for all employees at Group companies, to support further growth.

I am also committed to maintaining an attitude of being closely attuned to consumers, business partners, and affiliates—by carefully identifying their detailed needs and providing accurate information. Through this approach, I aim to contribute to ITOCHU's profitability and further support our growth.

* ETEL: European Tyre Enterprise Limited



Visit to ETEL* in the U.K.

Message from Outside Director



Outside Director

Masatoshi Kawana

Mr. Kawana served as Vice-president of Tokyo Women's Medical University Hospital, in addition to other positions, where he gained a high level of experience in hospital management and advanced knowledge of medical care. He assumed his position as a member of the Board of Directors at ITOCHU in June 2018. He uses his expertise to provide many useful proposals and suggestions in the fields of health management and in setting preventive measures against in-office infection post-COVID-19. As of FYE 2026, he serves as chair of the Governance, Nomination and Remuneration Committee.

Contributing to the Board of Directors through Diverse Perspectives

In FYE 2026, I had my first opportunity to engage directly with institutional investors, who candidly asked me why a physician is serving as a Director. I worked for many years as a cardiologist, engaging in clinical practice, and from around 2004, I became involved in university hospital management while also studying at a graduate business school. Through the hospital's medical club, I became acquainted with many corporate executives. As I was frequently consulted on various matters, I was invited to join the Board of Directors with the expectation to contribute on diversity of perspectives. Beyond leveraging my expertise to promote health management and respond to challenges such as the COVID-19 pandemic—ultimately contributing to improved employee productivity—I aim to enhance the quality of our discussions by carefully examining each decision-making process from a viewpoint different from that of corporate executives. My background differs from that of corporate executives, so I place great importance on listening to voices from the front lines. I am mindful of public scrutiny and strive to ensure that discussions and decision-making are balanced and unbiased by verifying any concerns I may have and proactively offering suggestions for improvement. There are many similarities between corporate management and hospital management. In both cases, people are the most valuable asset, and I believe the essence of management lies in building teams, allocating human resources appropriately, maximizing their abilities, and contributing to society. ITOCHU's strengths include its employees' strong sense of responsibility and its culture of valuing each individual. In addition to these strengths, I recognize significant potential for creating new value by leveraging proprietary initiatives at ITOCHU, such as utilizing our own generative AI technologies for business creation and business model transformation—just as big data analytics is increasingly being applied in the healthcare sector for business and policy development. Going forward, I will continue to draw on the experience and insights I have gained in other fields to contribute to the Board of Directors and contribute enhancement of corporate value. (◀ Page 56 Digital Strategy for the Sustainable Enhancement of Corporate Value)



Small meeting with institutional investors

Message from Outside Director



Outside Director

Makiko Nakamori

Ms. Nakamori possesses a high level of expertise in finance and accounting as a Certified Public Accountant in Japan, and has a wealth of experience as a corporate manager. She assumed her position as a member of the Board of Directors at ITOCHU in June 2019. She often provides insightful advice based on her specialized knowledge and unique experience in the fields of internal control, compliance, and DX. As of FYE 2026, she serves as Chair of the Women's Advancement Committee, and a member of the Governance, Nomination and Remuneration Committee.

Enhancing Corporate Value through the Promotion of Women's Advancement

Over the past year, I have had several opportunities for candid exchanges with institutional investors. In Integrated Report 2024, I noted that their evaluations and awareness of management issues largely aligned with my own perspectives, which gave me a strong sense of trust in ITOCHU's management. Through further dialogue, I have felt that discussions regarding the Women's Advancement Committee, for which I serve as Chair, have deepened to include how these initiatives contribute to ITOCHU's corporate value.

Women's advancement does not yield immediate effects like M&A or IT tools, but is an initiative to enhance corporate value in line with our policy of maximizing the labor productivity of each employee. The special measure for appointing female Executive Officers introduced in FYE 2025 is a characteristic initiative, demonstrating our ability to act swiftly and decisively even on non-financial targets. In implementing and operating this measure, we have not only conducted interviews with the selected candidates but also meticulously provided follow-up to gain understanding and support within the Company. As a result, in addition to the first year, we have continued to appoint five new female Executive Officers for a second year, showing our genuine commitment to ongoing, not one-time, promotion.

Amid a nationwide labor shortage, establishing female executive role models leads to improved retention and maximized motivation among younger female employees. Moreover, reviewing the selection criteria for the next generation of officers, moving away from traditional values, has a positive impact on the future career development of many employees, including male employees in their 20s and 30s, who have a high proportion of working in dual-income households. By maximizing the potential of all employees, we will drive earnings growth and, ultimately, the sustainable enhancement of corporate value.

◀ Page 91 Message from Outside Director Mr. Ishizuka "Succession Plan"

By establishing and disclosing a remuneration system, which is closely linked to business performance and market capitalization, we are enhancing management's commitment to business performance enhancement.



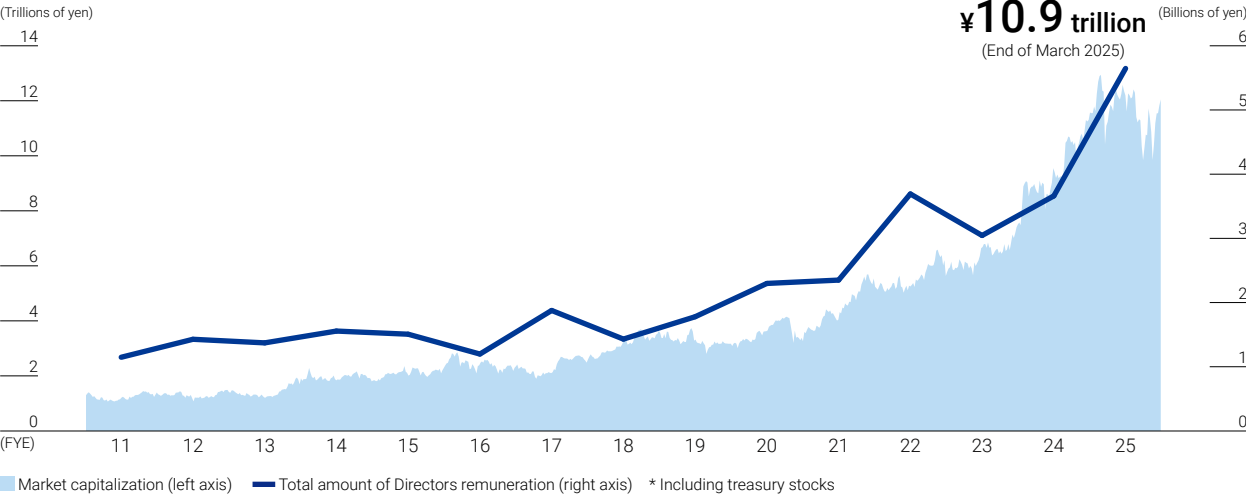
Corporate Officer Remuneration

POINT Remuneration System Driving Business Growth and Stock Price Increase

Policy on Corporate Officer Remuneration

Our corporate officer remuneration system is designed with a strong emphasis on the sustainable enhancement of corporate value and the maximization of shareholder returns, adopting an incentive structure closely linked to business performance and stock price. The proportion of variable compensation within the total package is exceptionally high compared to peers. When performance improves, compensation increases accordingly, while in the event of deteriorating results, each Director's compensation decreases significantly, thereby ensuring clear accountability for management. We have long disclosed the calculation formula and other details of the remuneration system externally, ensuring a high degree of transparency. Performance-linked bonuses are intended to incentivize achievement of short-term results, while share price-linked bonuses and performance-linked stock remuneration are positioned as incentives to enhance corporate value over the medium- to long-term.

Trends of Market Capitalization and Total Amount of Directors Remuneration



Overview of Remuneration System and Remuneration Limit

Type	Details	Fixed / Variable	Remuneration Limit	Resolution at General Meeting of Shareholders
(1) Monthly remuneration	Determined based on the standard amount by position and the level of contribution to ITOCHU, including its response to climate change, the SDGs, and ESG.	Fixed	¥1.1 billion per year as total amount of monthly remuneration (including ¥0.2 billion per year as a portion paid to Outside Directors)	June 20, 2025
(2) Performance-linked bonuses	Determined based on consolidated net profit, and each individual payment amount is determined in relation to the position points for the Director.	Variable (Single year)	¥5.0 billion per year as total bonuses paid to all Directors	
(3) Share price-linked bonuses	Calculated based on the increase in ITOCHU's stock price for two consecutive fiscal years and relative growth rate of ITOCHU's stock price compared to TOPIX.	Variable (Medium- to long-term)	(i) BIP Trust The following are the limits for Directors, Executive Officers, and Senior Operating Officers for two fiscal years: • Limit on contribution to trust by ITOCHU: ¥8.0 billion • Total number of points granted to eligible person: 0.9 million points (conversion at 1 point = 1 share)	
(4) Performance-linked stock remuneration	Number of shares delivered as remuneration is determined based on consolidated net profit and in relation to the position of the Director.		(ii) RS Remuneration Plan • Total amount of ITOCHU's shares or monetary claims provided as remuneration: ¥3.0 billion annually • Total number of ITOCHU's shares to be issued or disposed: 300,000 shares per year	

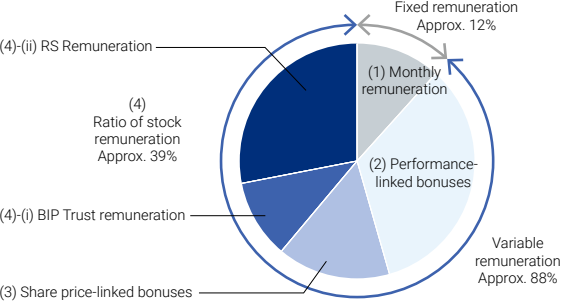
* Variable compensation items (2) to (4) are not paid to Outside Directors

Frequently Asked Questions on Corporate Officer Remuneration

Q. What is the ratio of fixed to variable remuneration?

A. We have adopted a corporate officer remuneration system where the proportion of variable compensation, closely linked to business performance and share price, is extremely high. In FYE 2025, variable remuneration (the total of performance-linked bonuses, share price-linked bonuses, and performance-linked stock remuneration) accounted for approximately 88% of remuneration for Internal Directors, with fixed remuneration held to around 12%. This structure ensures a stronger alignment between management and shareholder profits.

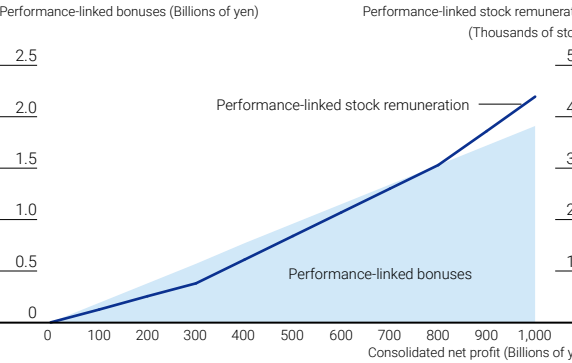
Composition Image of Remuneration for Directors (Excluding Outside Directors) (FYE 2025)



Q. How is remuneration linked to performance?

A. If consolidated net profit falls into a deficit, no variable remuneration (performance-linked bonuses or performance-linked stock remuneration) is paid under our strict system. (2) Performance-linked bonuses increase in proportion to net profit, and (4) performance-linked stock remuneration increases stepwise with profit levels. As a result, differences in compensation amounts due to business performance fluctuations are clearly linked to executive incentives.

Approach of Performance-Linked Remuneration... (2), (4)



Q. How is remuneration linked to share price?

A. Our corporate officer remuneration reflects share price performance through two mechanisms. First, a (3) share price-linked bonus is paid if certain criteria are met, based on both the absolute share price and comparison with TOPIX. Second, with (4) performance-linked stock remuneration, increases in the share price are directly reflected in the amount of compensation through the value of the granted shares. Since the maximum limit is substantial, any rise in the share price is strongly reflected in the total remuneration.

For details on the calculation formula for corporate officer remuneration, please refer to the Corporate Governance Report.

https://www.itochu.co.jp/en/files/CG_e.pdf

Details of the Remuneration Paid to Directors and Audit & Supervisory Board Members of the Company in FYE 2025

(Rounded to the nearest million yen)

Type		Number of People	Total Amount of Remuneration (Millions of yen)	Details (Millions of yen)				
				(1) Monthly Remuneration	Performance-Linked Remuneration			
					(2) Performance-Linked Bonuses	(3) Share Price-Linked Bonuses	(4) Performance-Linked Stock Remuneration	
							BIP Trust	RS Remuneration
Directors	Inside	7	5,566	658	1,878	871	598	1,561
	Outside	4	81	81	—	—	—	—
	Total	11	5,647	739	1,878	871	598	1,561
Audit & Supervisory Board Members	Inside	2	129	129	—	—	—	—
	Outside	3	60	60	—	—	—	—
	Total	5	189	189	—	—	—	—

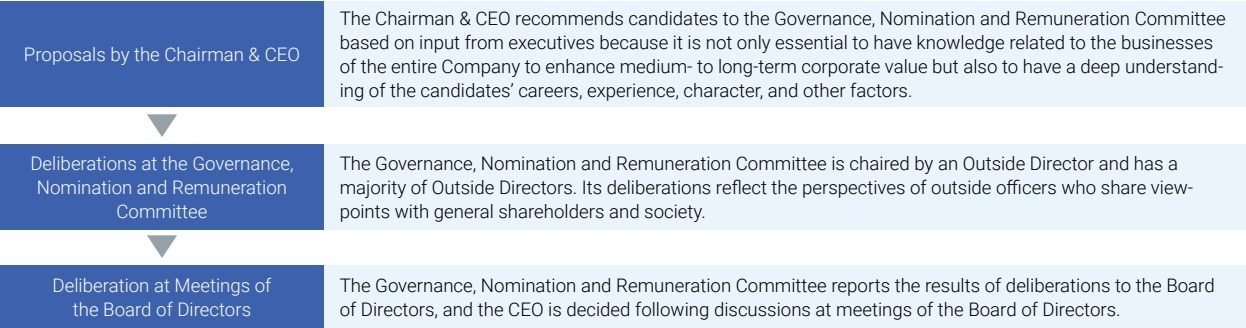


Succession Plan

POINT Succession Planning to Enhance the Sustainability of Corporate Value

The Company positions succession plans as a material management issue in an effort to enhance management sustainability and medium- to long-term corporate value. There are no formalities regarding the CEO's term of office or retirement age, and the selection process and candidate training policy are based on the premise that the candidate possesses the most important skills, "business capabilities as a merchant," as well as business sense and to be able to practice the "Sampo-yoshi" philosophy.

CEO Selection Process



Policy on Training CEO Candidates

Officers who have "business capabilities as a merchant" are positioned within the organization to enable them to thrive and gain experience. To train multiple candidates in leadership and enable them to learn how to engage with customers, we allow them to gain daily experience in highly challenging front-line operations, regardless of whether they are stationed at headquarters or a Group company, in Japan or overseas.

In addition, for appointment to key senior management positions, we have established a system that enables us to broadly select management candidates from across the Group, including the newly established Senior Operating Officer* position since FYE 2025, as well as former ITOCHU Executive Officers who have been transferred to Group companies. Through this approach, we are forming a pool of management personnel in a rigorously meritocratic manner.

* Executive Officers (excluding those who hold key senior management positions such as Executive Officers who concurrently serve in senior management positions, Division Company Presidents, and officers in charge of headquarters' administrative divisions as well as Executive Officers appointed through special measures for female Executive Officers) shall have tenures that are limited to a maximum of two years. After two years have elapsed, all officers shall be retired. Of those who have retired, those who continue the duties that they performed prior to retirement or who assume other positions within the Company shall be deemed Senior Operating Officers.

Message from Outside Director



Outside Director
Kunio Ishizuka

Mr. Ishizuka has extensive knowledge of corporate management and the retail industry, which was earned through his experience as President and Chairman of Isetan Mitsukoshi Holdings Ltd. and as a Vice Chair of Nippon Keidanren (Japan Business Federation). He assumed his position as a member of the Board of Directors at ITOCHU in June 2021. He served as Chair of the Nomination Committee in FYE 2023 and as Chair of the Governance, Nomination and Remuneration Committee in FYE 2024 and FYE 2025. In FYE 2026, he serves as a member of the Governance, Nomination and Remuneration Committee.

Identification and Succession of Management Talent to Sustain

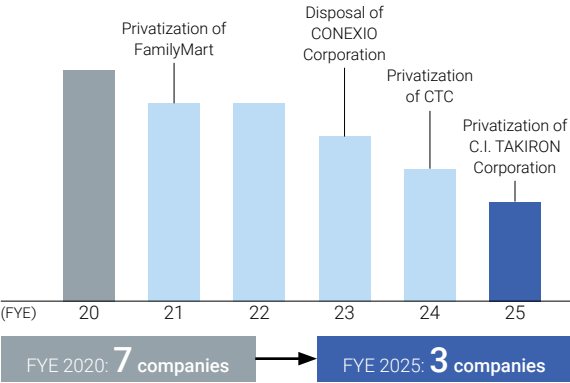
Corporate Value Enhancement

Since assuming the role of Outside Director in FYE 2022, my impression of general trading companies as entities that pursue profits dynamically through large-scale investments has changed significantly. Management style of ITOCHU rooted in the "merchant" spirit, meticulously accumulating even small profits, is firmly embedded throughout the Company. To be honest, I feel that there is no other company that offers such a high volume and quality of activity among its Outside Directors. It is not uncommon for me, as an Outside Director, to have months in which I come to the office several times each week. In addition to the Board of Directors, we engage in meaningful discussions through various information-sharing sessions, individual meetings, and on-site visits. I recognize that deepening our understanding of the business through such activities not only provides oversight of the executive side but also prepares us for succession planning. I particularly prioritize individual meetings with senior management. In FYE 2025, I conducted interviews with over 20 Executive Officers and Group company presidents to gain a multifaceted understanding of management candidates—their abilities, achievements on the front lines, and their reputations among peers. Through these dialogues, all Outside Directors share an image of the future management team that considers not only professional backgrounds and performance but also character, mental resilience, adaptability, and leadership style in tune with the times. In FYE 2025, I also discussed directly with institutional investors and was reminded of the high level of interest in succession planning. What I conveyed was the depth of ITOCHU Group's management personnel pool. With numerous Group companies, ITOCHU provides opportunities for employees to gain management experience from a young age. More than 90% of approximately 260 Group companies are profitable, which is a distinctive strength, and demonstrates that our future management talent pool, grounded in the "merchant" spirit, can deliver results even in rapidly changing environments. I believe that stable management in ITOCHU, rather than leadership changes driven by formal rules or customs, is the source of sustainable corporate value enhancement. Looking to the future, we are rigorously identifying and preparing next-generation management candidates through our Advisory Committee, so as to make timely and appropriate recommendations. We will continue to engage in meaningful discussion with the executive side regarding future management talents, and are committed to the identification, development, and succession of management talent to support the sustainable enhancement of corporate value.

Policy on the Governance of Listed Subsidiaries and Affiliates

ITOCHU respects the autonomy of listed subsidiaries and prohibits any acts that contradict the principle of shareholder equality, in accordance with ITOCHU's Policy on the Governance of Its Listed Subsidiaries, which was announced in October 2019. Each subsidiary and ITOCHU are in a mutually beneficial relationship to enhance corporate value as business partners. With the recognition that there is a potential conflict of interest between ITOCHU and the minority shareholders, we ensure independent decision-making at listed subsidiaries by encouraging them to establish well-functioning governance structures that effectively utilize independent Outside Directors. We periodically review the significance of holding listed subsidiaries in light of their position in management strategies and then purchase additional shares or dispose of shares as necessary.

Listed Subsidiaries Numbers



The Significance of Holding Listed Subsidiaries and Governance System

(As of July 1, 2025)

Company Name	(1) Significance of Holding and (2) Key Synergies	Ratio of Independent Outside Directors	Advisory Committees to the Board of Directors	Ratio of Independent Outside Audit & Supervisory Board Members
ITOCHU INEX CO., LTD.	(1) Covering a wide range of our business fields, including existing energy businesses, power businesses, new fuel sales, logistics optimization, and next-generation businesses (2) Collaboration in fields such as WECARS Co., Ltd. and new energy, as well as fuel supply businesses for the ITOCHU Group	50% (4 out of 8 Directors)	• Governance Committee • Special Committee	50% (2 out of 4 Directors)
ISC ITOCHU SHOKUHIN CO., LTD.	(1) Maximizing our earnings in the food distribution area by securing stable customer touchpoints and sales channels with a wide range of domestic retailers through the sales of alcoholic beverages and processed foods (2) Leveraging the ITOCHU Group's customer base and expertise to support the expansion and evolution of the service provided by ITOCHU SHOKUHIN Co., Ltd.	43% (3 out of 7 Directors)	• Governance Committee	50% (2 out of 4 Directors)
PRIMA MEAT PACKERS, LTD.	(1) Assuming an important role within the value chain in the sales of final products—meat and processed livestock products (2) Ensuring a stable supply of high-quality imported raw materials for the Prima Meat Packers, Ltd.'s core products and joint development of pork brands with our overseas affiliates	60% (3 out of 5 Directors)	• Management Advisory Committee • Sustainability Committee	50% (2 out of 4 Directors)

As of July 1, 2025, we holds investments in 12 domestic listed affiliated companies. In our transactions with these affiliated companies, we take care to prevent any conflicts of interest. Taking into consideration each company's actual circumstances—such as capital relationships and business transactions—we implement measures equivalent to those applied to listed subsidiaries, as necessary. In addition, we periodically review the significance of holding the shares. Over the past year, we made DESCENTE LTD. a wholly owned subsidiary and privatized, while also disposing of all shares in JAPAN FOODS CO., LTD. and excluding JAMCO Corporation and Orient Corporation from equity-method affiliates through the disposal of our shares.

For details on policy for the governance of listed subsidiaries and affiliates, as well as cross-shareholdings, please refer to the Corporate Governance Report.
https://www.itochu.co.jp/en/files/CG_e.pdf

Policy on Cross-Shareholdings

We classify investments other than for pure investment purposes and to consolidated companies as "Investments to non-affiliated companies." We engage in investments to non-affiliated companies in order to create business relationships. In principle, it is our policy to limit investments to non-affiliated companies to those that have a high likelihood of generating investment returns, and those with a high strategic significance including potential future subsidiaries or affiliates. This policy remains the same, regardless of area, listed or unlisted. In addition, we conduct an annual review of all these investments in the Management Meeting to assess the economic rationale based on the returns on our investments and the strategic significance of each holding, considering the likelihood that our investment objectives will be realized in the future. In other words, investments are limited by shares held with the expectation of the expansion of business fields, the realization of synergies, and other benefits. Our core Group companies—DESCENTE LTD., YANASE & CO., LTD., and HOKEN NO MADOGUCHI GROUP INC.—initially held only a small share, but have since changed to their current capital structure. By regularly reviewing the significance of each holding, we will appropriately utilize investments that have the potential to lead to future corporate value creation.

Major Listed Affiliates (As of July 1, 2025)

