ITOCHU Corporation

The Brand-new Deal

Integrated Report 2025

For the Fiscal Year Ended March 31, 2025

Publication of Integrated Report 2025

We continue to strive for further growth in FYE 2026, based on our Management Policy, which incorporates a strong commitment to sustainably enhancing our corporate value. To better communicate this growth story, we are advancing our IR activities, including the renewal of our financial disclosure materials. With regard to our integrated report, we have reviewed the structure from scratch this year in order to respond to as many comments as possible. We present more conceptually and clearly the themes that arise in our dialogue with a wide range of stakeholders both in Japan and overseas.

I hereby affirm that the creation process and contents of this report are fair and accurate. I hope this report will serve as an opportunity for dialogue, and we remain committed to enhancing our corporate value through continued and proactive dialogue.

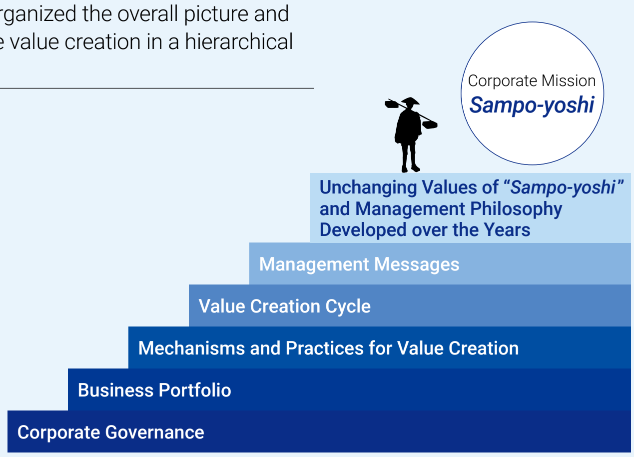
Tsuyoshi Hachimura
Member of the Board, Executive Vice President, CFO

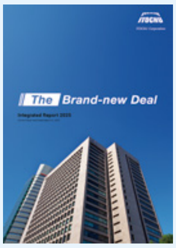
Key Points of Integrated Report 2025

This Integrated Report is designed to provide a clear and accessible overview of ITOCHU's approach to sustainable value creation for a diverse range of stakeholders. By highlighting the spirit of "*Sampo-yoshi*," the unique characteristics of ITOCHU, and key points of management priorities, this report presents how these factors are linked to the sustainable enhancement of corporate value and we explain our approach from both financial and non-financial perspectives. Using this report as a starting point, we aim to create a virtuous cycle of deepening dialogue and evolving management.

Emphasizing the Readability of Booklet/PDF, and Addressing Diverse Needs of Readers	
(1) Reduction of Page Count	Reflecting feedback from meetings with investors and Integrated Report briefings, we have extracted the essence of each item and summarized the content in a more concise manner.
(2) Introduction of Interactive PDF format	Enhancing usability by utilizing internal links within the booklet and index on the right edge of the pages.
(3) Creation of a Digest Version	As a first-time initiative, released a digest version of the PDF, allowing readers to quickly confirm the key points.

Reorganization of the Report Structure	
(1) Positioning of the Corporate Value Calculation Formula	We reviewed the previous structure, in which each chapter was organized around individual formula components, as many initiatives could not be clearly categorized under a single component. (☛ Page 2 Corporate Value Calculation Formula and Value Creation Overview)
(2) Consistency of the Disclosure Framework and its Integration with Other Disclosure Channels	We have placed particular emphasis on conciseness, materiality, and information connectivity for this year. We are expanding the use of links to our existing IR and ESG websites, enabling an integrated approach to diverse disclosures. Environment Social Governance Guidance for Collaborative Value Creation
(3) Booklet Structure Based on the Story	As shown in below, we have organized the overall picture and interconnections of our unique value creation in a hierarchical manner.





About the Cover
On November 25, 1980, ITOCHU 's Tokyo Head Office building was completed. For nearly 45 years since then, many merchants have developed and nurtured a wide array of businesses from this very location, laying the foundation for the Company's present. This building has witnessed pivotal moments in ITOCHU's history—from times of existential crisis to achieving our first-ever Triple Crown, and through periods of dramatic change. Now, the time has come to bid farewell to this building that has shared in our history. This cover conveys our strong determination to carry forward—into a new era for ITOCHU—the history we have built, step by step, upon the countless tears and smiles of our merchants.

Integrated Report 2025 Contents (Fiscal Year Ended March 31, 2025)

How to Read Integrated Report 2025

What is ITOCHU Focusing on? —Corporate Value Calculation Formula and Value Creation Overview—

Integrated Report 2025 is based on the conventional "corporate value calculation formula" and outlines the driving forces and initiatives for enhancing our corporate value. The impact of the content of each section on each item in the corporate value calculation formula is shown in barometer format, making it easy to understand at a glance the effectiveness of each management strategy or measure.

Steady Accumulation of Profits and Achievement of Targets

Expand Created Value ↑

Enhancement of Corporate Value ↑ = **Lower Cost of Capital ↓** — **Increase Growth Rate ↑**

Driving Force for Sustainable Value Creation (Total capital)

Initiatives and Systems Supporting Sustainable Growth

Steppingstones to Medium- to Long-Term Value Creation

Example of the Corporate Value Calculation Formula as Presented in Integrated Report 2025

Example: Financial Strategy

We are maintaining our financial policy based on balancing three factors, achieving both continued high ROE through earnings growth and robust our financial foundation.

Enhancement of Corporate Value ↑ = Expand Created Value ↑ / (Lower Cost of Capital ↓ — Increase Growth Rate ↑)

How to Read the Barometer Impact: High Impact: Medium Impact: Low

Enhancement of Corporate Value ↑

Sustaining Commitment-Based Management Centered on "*Sampo-yoshi*"

Centered on our corporate mission of "*Sampo-yoshi*," we advance our management strategies and initiatives swiftly and flexibly through a market-oriented perspective and rigorous implementation of the "Earn, Cut, Prevent" principles. By practicing consistent management and commitment-based management, we will achieve sustainable enhancement of corporate value.

Expand Created Value ↑

Building a Track Record, Enhancing Our Trust and Creditworthiness

In order to reliably and continuously achieve our stated targets, we are committed to expanding our value creation through steady profit growth, driven by enhancing our hands-on management. By consistently building a solid track record, we will further strengthen our trust and creditworthiness, thereby supporting the ongoing expansion of our business domains.

Increase Growth Rate ↑

No Growth without Investments

To sustain medium- to long-term growth, we aim to enhance our growth rate by expanding the scope of our business through downstream-driven growth investments, maximizing synergies through horizontal collaboration within Division Companies, and accelerating digital utilization.

Lower Cost of Capital ↓

Establishing a Management Foundation to Support Sustainable Growth

In addition to enhancing our corporate brand value through improvements in qualitative aspects, we aim to minimize cost of capital by increasing the sustainability of our business and its resilience to economic fluctuations through risk management, as well as by strengthening our governance system with a focus on substance.

Reporting Scope and Other Items

Reporting Period: April 1, 2024 to March 31, 2025 (Certain contents include activities occurring in or after April 2025.)
Reporting Scope: ITOCHU Corporation and the ITOCHU Group
Accounting Standards: Unless otherwise noted, this integrated 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, CTC refers to ITOCHU Techno-Solutions Corporation, and IMEA refers to ITOCHU Minerals & Energy of Australia Pty Ltd.

Inquiries for Integrated Reports
Investor Relations Division **+81 (3)-3497-7295**

Forward-Looking Statements

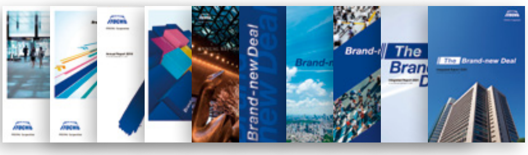
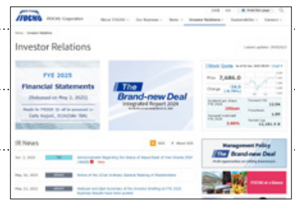
Data and projections contained in this report are based on the information available at the time of publication, and various factors may cause actual results to differ materially from those presented in such forward-looking statements. ITOCHU Corporation, therefore, wishes to caution that readers should 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.

Contents that Address the Expectations from and Questions Frequently Asked by Stakeholders

What are ITOCHU's unique philosophy and corporate culture that support its competitive advantage?	Page 4 ITOCHU's Trajectory Page 40 CAO Interview
What are management's strategies and commitments for achieving the sustainable enhancement of corporate value?	Page 10 CEO Message Page 16 COO Message Page 28 CFO Interview
What are ITOCHU's portfolio management and asset allocation approaches to maintain high-efficiency management?	Page 32 Financial Strategy Page 34 Business Investment Page 36 Portfolio Management
What are the initiatives for accelerating growth, such as the utilization of digital technologies, and specific examples of business expansion into new domains?	Page 54 CXO Interview Page 56 Digital Strategy for the Sustainable Enhancement of Corporate Value Page 58 SPECIAL FEATURE — Examples of Areas with High Growth Potential —
What is an overview of the current status of business, including each Division Company's business strategies, opportunities, risks, and regional structure of assets and profits, including China-related businesses?	Page 38 Risk Management Page 62 Business Portfolio
What are ITOCHU's unique human resource strategies and sustainability initiatives?	Page 44 Human Resource Strategy Page 48 Initiatives to Promote Sustainability
What are policies regarding succession plan, remuneration systems, parent-subsidiary listings, and the policy on cross-shareholdings?	Page 80 Corporate Governance

Disclosure Framework

This report presents selected content of high importance for investment decisions and our management, in order to help readers understand ITOCHU's value creation story. For more comprehensive financial and non-financial data, as well as updates on individual projects, please refer to ITOCHU's website.

Information Requested by Users	Disclosure Tools to Meet Stakeholder Needs
• Overall picture of value creation story and the sustainable enhancement of corporate value • Company's history, the characteristics of business model, and key strengths • Management strategies, management philosophy, and recognition of external environment	• **Integrated Report** (This report) 
• Latest information on business performance	• **IR website: https://www.itochu.co.jp/en/ir/** —**Financial Statements** 
• Strategies, initiatives, and future targets for particular theme	—**Particular Theme Briefing** (Business briefing, etc.)
• Comprehensive and detailed financial and non-financial data	—**Financial Information Report** —Financial Data Download for 14 years
• Information on financial results and important decisions	—**Financial Summary** —**Timely Disclosure Information**
• Detailed ESG information for investment decision-making • Approach of ESG issues and response to risk scenarios • Objectives and progress of sustainability action plans	• **ESG Report** • **Sustainability website: https://www.itochu.co.jp/en/csr/** — ESG Data E: TCFD / Information disclosure based on the TNFD recommendations S: Human resources, occupational safety and health, value chain, human rights, etc. G: Meeting of the Board of Directors, Corporate Officer Compensation, Internal reporting system, etc. • Clean-tech business website • Work-style reforms website
• Details of the governance system and remuneration system • Significance of holding listed subsidiaries and affiliates • Views on capital cost and stock price	• **Corporate Governance Report** • Corporate Governance / Compliance website: https://www.itochu.co.jp/en/about/governance_compliance/

ITOCHU's Trajectory

Unchanging values of "*Sampo-yoshi*" and management philosophy developed over the years

Consolidated Net Profit Trend

Founded in 1858

Chubei Itoh I, the Company's founder, began by selling linen cloth from Osaka to the Senshu and Kishu regions. His words "Trade is a compassionate business. It is noble when it accords with the spirit of Buddha by profiting those who sell and those who buy and supplying the needs of society." reflect his convictions and ideals regarding business, forming the origin of "*Sampo-yoshi*" (good for the seller, good for the buyer, good for society).

1950–1980s

ITOCHU expanded from its textile origins into non-textile sectors, accelerating its development as a general trading company and promoting internationalization. In 1958, we entered the computer business, the predecessor of CTC, and in 1969 completed the first shipment of iron ore from Western Australia. These and other developments laid the foundation for our current business portfolio. At the same time, we made management decisions such as investing in TOA Oil Co., Ltd. in 1966 and expanding real estate investments in the 1980s, which later resulted in losses.

Learned from History

Investment in TOA Oil Co., Ltd. and the Oil Shock

Summary 1

Do not formulate long-term management plans based solely on idealism. Avoid philosophy-driven management.
Do not set numerical targets without a backup; place emphasis on commitment-based management.

Expansion into Real Estate During the Bubble Period and Comprehensive Loss Disposal through Selection and Concentration

Summary 2

Avoid management that relies excessively on selection and concentration.
Ensure fairness in initiatives by thoroughly examining potential contradictions or adverse effects.

Summary 3

"The higher the mountain, the deeper the valley." As the business environment is bound to change, never become overconfident or complacent.
Postponing loss disposal can lead to fatal outcomes; it is crucial to have an accurate understanding of the situation and to make calm decisions.

Management Philosophy as a Merchant, Cultivated and Refined through the Accumulation of Historical Lessons

Unchanging Spirit Since Our Founding

ITOCHU's Current Position*

Market Capitalization
Tokyo Stock Exchange
Market Capitalization: 14th Place

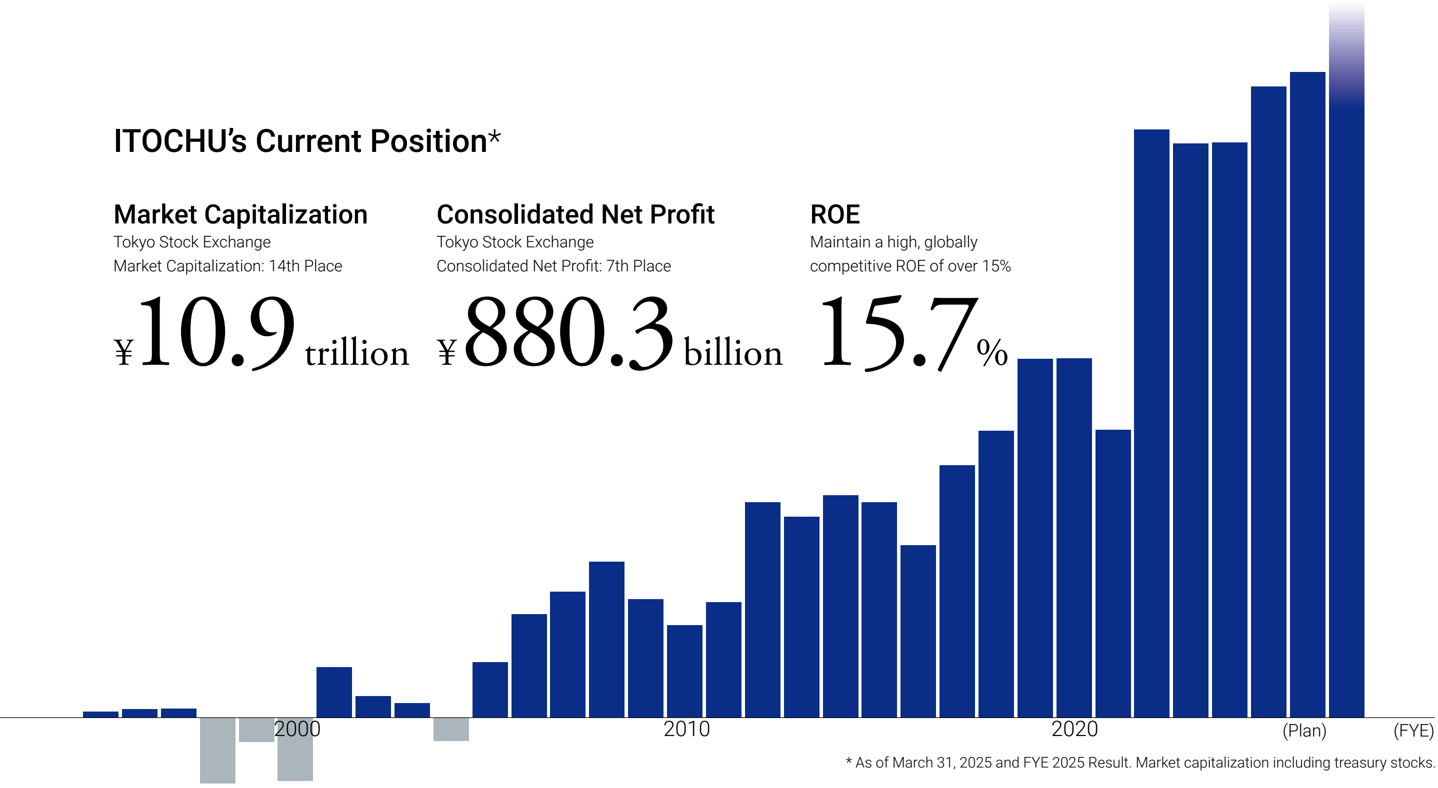
¥10.9 trillion

Consolidated Net Profit
Tokyo Stock Exchange
Consolidated Net Profit: 7th Place

¥880.3 billion

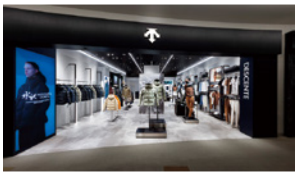
ROE
Maintain a high, globally competitive ROE of over 15%

15.7%



* As of March 31, 2025 and FYE 2025 Result. Market capitalization including treasury stocks.

1990–2000s
Following the collapse of Japan's economic bubble, we took decisive action to resolve the negative legacies of real estate investments. Despite facing a temporary risk of bankruptcy, we improved our financial structure through a strategy of selection and concentration. In 1998, during the process of loss disposal, we invested in FamilyMart, thereby securing a crucial business foundation for expansion in the consumer sector.



2010–2020s
By focusing growth investments in areas of expertise and enhancing corporate value through hands-on management, we strengthened our business foundation and steadily secured top positions, such as "No. 1 in the Consumer Sector" and "No. 1 in the Non-Resource Sector." We have thoroughly implemented our Management Philosophy, grounded in historical lessons, resulting in steady growth and an increase in market capitalization.

Lessons learned from past management decisions, such as the investment in TOA Oil Co., Ltd. and the expansion into real estate during Japan's economic bubble, have been repeatedly discussed and reviewed at management meetings. In addition, these words are easy for anyone to follow, and by repeatedly communicating them to our front line, they have been elevated to our Management Philosophy.

Management Philosophy
(☛ Page 6)

Market-Oriented Perspective

"Earn, Cut, Prevent" Principles

Commitment-Based Management

Consistent Management

Sampo-yoshi

Management Philosophy as a Merchant, Cultivated and Refined through the Accumulation of Historical Lessons

Business Concepts

Market-Oriented Perspective

“Merchants need to be like water,” adapting to change and creating businesses

The business concept of “market-oriented perspective” is an idea rooted in ITOCHU’s founding spirit. In 1858, our founder, Chubei Itoh I, began selling linen cloth from the former Ohmi Province, not by waiting for customers but by traveling to different regions himself. He listened firsthand to customers on the front lines, directly understanding their needs, thereby opening up new business opportunities. This approach represents the very origin of the “merchant way” that we have refined over many years.

Conversely, a typical example of a “product-out approach” can be seen in our investment in TOA Oil Co., Ltd. Believing the prevailing theory at the time that “oil would be depleted within 30 years,” we made a huge investment without regard for our own financial strength. Unlike the general trading companies associated with the former *zaibatsu* (family-owned financial conglomerates) industrial groups, we lacked deep relationships with major energy and steel companies, and after the oil shock of 1973, losses became apparent. As a result, cumulative losses exceeded ¥180 billion, resulting in a significant financial impact.

In recent years, consumer needs have become increasingly diverse, and profit opportunities are rapidly shifting downstream in the business value chain. Based on our policy of “Profit Opportunities Are Shifting Downstream,” we do not blindly believe in hypotheses, but instead focus on creating businesses based on customer feedback and needs obtained from the front lines. Regardless of the business area, whether non-resource or resource, downstream or upstream, and not only within business divisions but also within the administrative division, we listen closely to the voices of the people we engage with. In every area of management, just like “Merchants need to be like water,” we consistently apply a market-oriented perspective. With our innovative power, we will provide products and services with higher added value, promote the evolution of our business model, and create growth opportunities.

(Photo courtesy of Archival Museum for the Faculty of Economics at Shiga University)

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Business Means

The principle of

"Earn, Cut, Prevent"

Ensuring lean management and the front-line capability

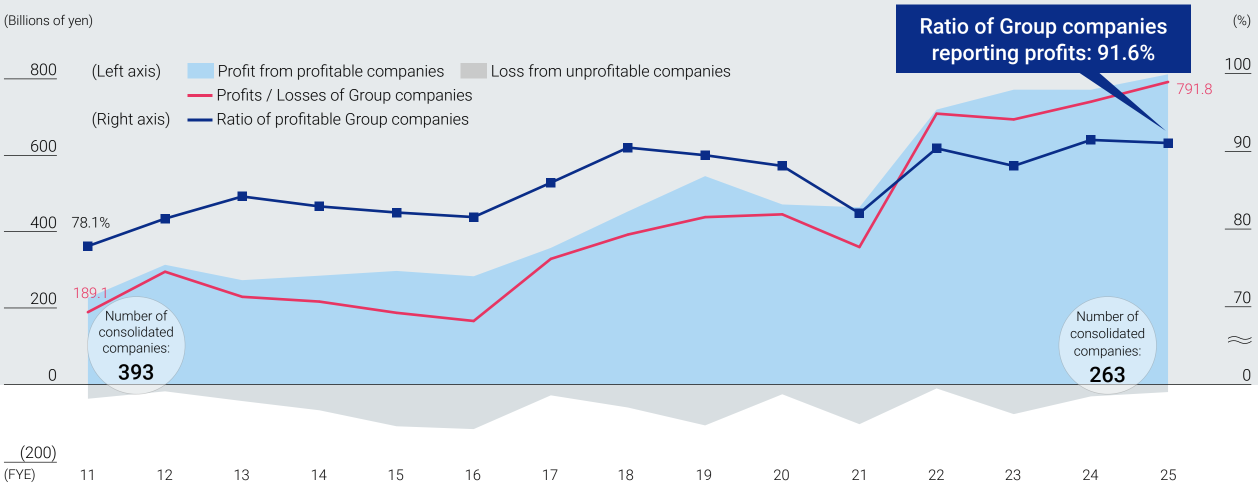
"Earn, Cut, Prevent" principles were first introduced in 2010 as the starting point of management reforms for ITOCHU, which at the time was mired in a perpetual fourth-place position among general trading companies. Recognizing that our prolonged stagnation was largely due to excessive selling, general and administrative expenses and extraordinary losses, we adopted these principles to rigorously eliminate waste, prevent losses before we materialize, and maximize earning power. Over the past 15 years, this approach has become firmly established as the core of our Group wide management.

Since our founding, we have inherited and passed on the spirit of Ohmi merchants, and the Store Rule (*tanaho*) of 1872 states that "businesses should value frugality and diligence." Although we focused on the consumer sector, where transactions are small in scale but the number of customers is large, we have expanded our business with a smaller number of employees than our competitors, and this has naturally led to the development of a culture that thoroughly eliminates waste.

However, during the overheated sales competition of the 1980s, we prioritized business expansion over risk control and increased the share of real estate and financial assets, incurring large losses after Japan's economic bubble collapsed. We were inadequately prepared for changes in the business environment, and as a result, our stock price hit a record low of ¥168 in September 1998. In February 1999, Moody's downgraded our rating to a level considered "below investment grade." With NET DER of approximately 14 times, we were on the brink of bankruptcy.

Since 2010, we have steadily evolved our lean management to thoroughly eliminate waste, not only by reducing expenses but also by eliminating unnecessary meetings, reducing documents, and implementing work-style reforms to efficiently carry out business operations. In addition, we strive to prevent unnecessary losses by strengthening front-line capabilities, quickly detecting abnormalities in business, and taking appropriate measures to prepare. Through unwavering implementation of the "Earn, Cut, Prevent" principles, we remain committed to the steady enhancement of corporate value.

Trends in Profits / Losses of Group Companies and Ratio of Group Companies Reporting Profits



Management Philosophy as a Merchant, Cultivated and Refined through the Accumulation of Historical Lessons

Commitment-Based Management

As a merchant valuing credibility, we will thoroughly manage our business in a way that is trusted by stakeholders

We value trust. This was something that the Ohmi merchants placed the utmost importance on, as they had to transport goods to unfamiliar regions and gain the trust of the local people in order to succeed in business. Honoring trade terms, delivery dates, and all other promises, and building trust with our customers, is of utmost importance to us as a company that has expanded primarily through small transactions in the consumer sector.

In addition, to maintain credibility as a listed company, it is necessary to achieve the plans we set and steadily following through on our commitments. In the 1990s and 2000s, as we were pushed to resolve bad debt, our plan achievement rate declined. As a result, we lost significant credibility in the market, failed to earn trust in our disclosed plans, and suffered rising cost of capital and a diminished corporate value. Returning to the basics of merchant management, since FYE 2011 we have rigorously implemented commitment-based management, ensuring the accomplishment of initial annual plans. In FYE 2025, we have abolished medium-term management plans and instead disclose a long-term management policy together with annual management plans in which we can confidently commit. This approach is based on our reflection of the past and our recognition that trust in management, which directly impacts corporate value, must be taken with the utmost seriousness.

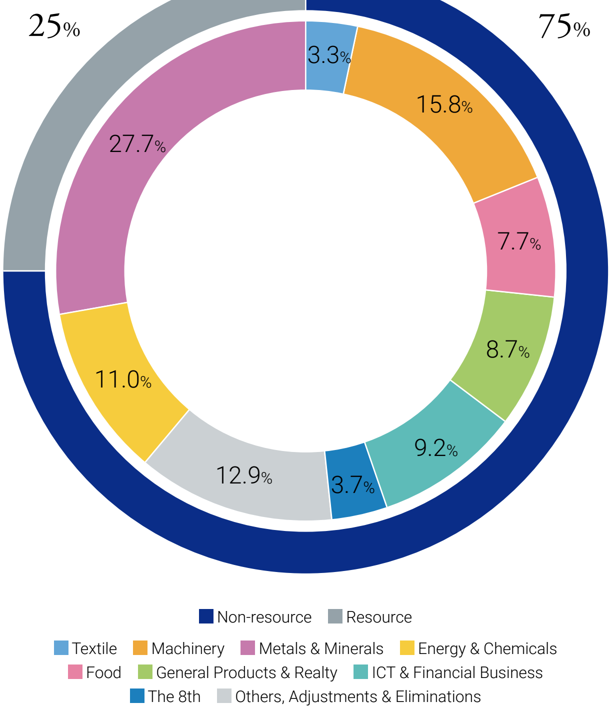
All of our dealings, as well as our corporate trust as a listed company, are built on relationships of trust. To uphold our commitments, we always prepare for unforeseen circumstances and remain steadfast in our commitment-based management going forward.

Track Record of Achieving Initial Plan Since FYE 2011 (Trend of Consolidated Net Profit)

14 wins 1 loss

(FYE 2011–2025)

Segment Breakdown of Core Profit (Average for FYE 2023–2025)



CAGR*

* Compound annual growth rate of consolidated net profit for FYE 2011–2025

Textile 12%

Machinery 20%

Metals & Minerals 3%

Energy & Chemicals 14%

Food 12%

General Products & Realty 12%

ICT & Financial Business 15%

The 8th 22%

Consistent Management

Realizing growth by raising the overall company level without focusing on specific areas and building a portfolio that is highly resistant to economic fluctuations

General trading companies have expanded business domains from trade to business investment, and now have a wide range of business fields. While such diversification is sometimes criticized in the stock markets as conglomerate discount, general trading companies do not require huge capital investment or R&D like manufacturers. Instead, we create added value by leveraging the expertise and networks formed across a wide range of business domains. In recent years, this approach has been increasingly recognized, as evidenced by investment from Berkshire Hathaway Inc.

However, around 2000, when we were dealing with extraordinary losses, we were faced with limited management resources and were forced to select and concentrate on specific areas. This selection and concentration led to a decline in motivation among employees in non-core areas and a loss of trust from related industries, resulting in a weakened management base.

As we have learned from our own experience that excessive reliance on a particular business can weaken overall management, we have made consistent management, which is not dependent on any particular area, a core element of our growth strategy. We have established investment criteria that provide fair growth opportunities to all segments, focusing on strengthening advantages and overcoming weaknesses to uplift the overall company. As a result, we have built a highly balanced portfolio with strong resistance to economic fluctuations. This robust portfolio now serves as the foundation for our sustainable growth, unaffected by external environments.

One notable achievement of consistent management is the growth of the Machinery Company, which, despite its historical limitations in scale and investment compared to peers, has achieved a CAGR of 20% since FYE 2011 and now ranks as the second-largest Division Company in terms of net profit.

Sustainable enhancement of corporate value is the mission of management. Drawing on our history and staying true to the merchant philosophy we have developed over the years, we will continue to strive for new heights.

Under our Management Policy, "The Brand-new Deal," we achieved record-high profits in FYE 2025. For FYE 2026, we are committed to lean management and deepening our growth investments, aiming to achieve record-high profits for a second consecutive year and secure the Triple Crown among general trading companies in market capitalization, consolidated net profit, and ROE.

Masahiro Okafuji
Chairman & Chief Executive Officer

The Japanese Dream

When we talk about the American Dream, we think of stories of people achieving great wealth and success in the United States. I'm sure everyone has dreamed of this at least once. But what does the Japanese Dream mean to you? In Japan, we sometimes hear stories of people who have successfully started businesses and amassed great wealth, but most people probably feel that this only applies to a very limited number of people. It may sound like a distant dream, especially to a typical company employee.

Not too long ago, a female employee visited me to say farewell upon her retirement. She joined ITOCHU Corporation in the mid-1970s after graduating from junior college and spent more than 40 years working in administrative roles in our Textile Company. Over those years, she steadily accumulated ITOCHU stock. There were times in the late 1990s when our stock price fell below ¥200. However, she continued to believe in the Company and kept investing. What surprised me about her story was the number of shares she held at the time of retirement. The number of shares has now exceeded 100,000 with a market value of approximately ¥800 million, and dividend income alone reaching ¥20 million per year. She told me, "I will be able to enjoy a prosperous life for the rest of my days. Thank you so much." Her facial expression remains vivid in my memory. At that moment, it suddenly occurred to me that this story could also be worthy of being called the Japanese Dream.

I have always believed that management's "scorecard" takes the form of how much it is able to enhance corporate value. I continue to believe that enhancing corporate value, or in other words increasing market capitalization and stock price, is my responsibility as CEO. Hearing this employee's words, I once again felt the weight and value of my responsibility. The sustainable growth and enhancement of ITOCHU's corporate value brings happiness not only to our employees, but also to all those

CEO M

ESSAGE

who hold our shares, including institutional investors. Currently, the Tokyo Stock Exchange and Japanese stocks are attracting global attention. This has only strengthened my resolve as CEO to share the fruits of our growth—in other words, the Japanese Dream—with our investors through our Company.

One development I am extremely pleased about is that the management capabilities of general trading companies were highly praised in Berkshire Hathaway Inc.'s shareholder letters in February 2025. In this letter, Berkshire Hathaway Inc. mentioned that it would moderately relax the previous 10% limit on its shares of the five major general trading companies, and that it would hold those shares for long term in the future. I was greatly surprised when Mr. Warren Buffett announced he would retire as CEO at the shareholders' meeting in May, but it is truly an honor for Japanese general trading companies to be highly valued by one of the world's leading investors. Berkshire Hathaway Inc.'s investments in Japanese general trading company shares have been highly successful, and this too can be described as a part of the Japanese Dream. However, we have no intention of resting on our laurels. From the time I get up to the time I go to bed, I'm constantly thinking about management, and I strive each day to fulfill my mission of sustainably enhancing our corporate value.

Regaining the Top Position Among General Trading Companies

In the "My History" daily column I wrote for the *Nikkei* newspaper in January 2025, I looked back on my life, including my setbacks and hardships. What I wanted to convey through this series is my belief that if people persevere through hardships and continue to work hard, they can achieve steady growth. This also applies to corporate management.

The business environment rarely unfolds as initially expected. Just as a hang-glider must adapt to ever-changing wind directions in order to fly accurately to its destination, I believe it is the responsibility of management to do everything in its capacity to adapt flexibly and meet targets in any business environment. Under this type of "hang-glider management," ITOCHU has steadily achieved its targets and grown, year by year. In FYE 2021, we attained the Triple Crown among general trading companies in consolidated net profit, share price, and market capitalization, and were poised to solidify our position. However, the deterioration of the situation between Russia and Ukraine led to a surge in resource prices. As a result, given that the proportion of resource-related businesses in our portfolio is relatively low, we experienced a challenging period in our financial results. While waiting for the surge in resource prices to eventually subside, we steadily accumulated growth over the past four years, preparing to regain the top position. We have avoided investing large amounts in areas with high uncertainty and which will take time to contribute to profits. Just as we worked as one group in the past to expand FamilyMart's earnings base while increasing our shares in the company, we have continued to expand our investments in Group companies whose operations we understand deeply, and projects where synergies can be reliably predicted.

Some examples include CTC, DESCENTE LTD., and DAIKEN CORPORATION, which have been private, as well as our expanding business collaboration with Hitachi Construction Machinery Co., Ltd. and Nishimatsu Construction Co., Ltd. As a result of these steady initiatives, we achieved a record-high profit of ¥880.3 billion in FYE 2025, further solidifying our foundation for the next stage of growth. Recently, there are some headwinds in the current business environment, such as a repeated downward revision to economic growth forecasts triggered by the uncertainty surrounding the Trump administration. However, rather than adopting a passive, defensive approach with plans to reduce profits, we have set a target of ¥900 billion in profits for FYE 2026, which would be a record high for the second consecutive fiscal year, by evolving our hands-on management and the steady accumulation of growth investments. (☛ Page 28 CFO Interview)

As in the previous fiscal year, we intend to accumulate up to ¥1 trillion in growth investments under one of the pillars of our long-term Management Policy, "No growth without investments." The current state of uncertainty in the business environment also presents an investment opportunity for us. By discerning changes in the times and among customers, we will accelerate downstream-driven investments and further build on our strengths, in line with our long-term Management Policy's concept, "Profit opportunities are shifting downstream." In recent years, each Division Company has developed a good foresight and effective investment strategies in its respective field. We will make investments that raise the performance of the Group as a whole, leveraging each business field's strengths without concentrating on any specific area. (☛ Page 16 COO Message)

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In addition to growth investments, there are key concepts we are rigorously instilling on the front lines to achieve record-high profits under the current management environment: lean management and a market-oriented perspective. These concepts, which emerged through honest reflection on our history and past failures, are the core of my management philosophy. I would first like to explain the meaning of these two important concepts for our Company.

The Essence of Lean Management

Let me share a story from when I was young. When an overseas client visited Japan, they were so busy that I was asked to visit their hotel early in the morning. After having a cup of coffee at their breakfast table and finishing our conversation, I discovered that my subordinate had already paid for the client's meal. How would you feel about this? Some people may think it natural for us to pay, since the client traveled from overseas. However, being invited by the client for breakfast and then covering the cost seems inconsistent with the usual business practice that "the inviter pays." It is essential for those in charge of management to always have a sense for what is truly necessary to expand business. Conversely, everything else should be cut down as much as possible. This is the essence of lean management.

I often discuss my "Earn, Cut, Prevent" principles. The "Cut" is not merely about reducing costs, however. For example, we must always question whether entertainment or business trips are really necessary for business. We must also be sensitive to seemingly minor things like leaving chairs out in meeting rooms, lights left on, or previous visitors' teacups being left out in the reception area. If we are indifferent to such things, we will also be less sensitive to the accumulation of inventory and accounts receivable in actual business. The same applies to organizational management. If we overhire in response to calls for more staff, we may later be forced into layoffs if performance deteriorates. We must always be proactive from a long-term perspective, streamlining organizations, optimizing personnel allocation, and leveraging AI for operational efficiency to maximize productivity.

While the "Earn" in "Earn, Cut, Prevent" principle requires specialized expertise and cannot be easily replicated, "Cut" is a basic management skill with very high reproducibility if the right mindset and methods are acquired. For all employees to become outstanding managers, I want them to master lean management through the "Cut" aspect of the "Earn, Cut, Prevent" principles. There are many cases of employees dispatched as managers to Group companies who have improved performance by applying ITOCHU's management approach. (☛ Page 91 Succession Plan)

From the perspective of strengthening Group management, most employees will be involved in managing Group companies, either now or in the future. The first thing they can do may not be "Earn," which is difficult, but rather practicing and learning sensitivity of lean management, which leads directly to enhanced corporate value.

The Sensitivity of a Market-Oriented Perspective

Recently, I met with the CEO of a leading Japanese financial group. He explained that, in preparing his management message for his company's integrated report, he used generative AI, trained on his past statements, lectures, and exemplary messages from other companies, to draft content on specified themes and points. As someone who racks his brain every year over what message to deliver, I was struck by the rapid progress of generative AI and the pace of societal change. In the coming age, if we fail to adapt to these revolutionary changes brought about by AI, we will not be able to survive.
(☛ Page 54 CXO Interview ☛ Page 56 Digital Strategy for the Sustainable Enhancement of Corporate Value)

However, AI is merely a tool; for merchants, the most essential quality in business remains sensitivity to even the smallest customer needs and requirements.

Many hit products have originated from such sensitivity. For example, in Judaism, Shabbat, the day of rest, extends from Friday until sundown on Saturday. During this period, no work of any kind is permitted, and it is a practice strictly observed by devotees. "Work" includes using fire as well as electricity. As a result, even opening a refrigerator becomes an issue, as the interior light would come on every time you open the door to get food. Samsung Electronics Co., Ltd. addressed this by developing a refrigerator that can be set so the interior light does not turn on during this period, a hit product born from such sensitivity. The key to creating popular products is to be sensitive to the issues customers face and devise ways to satisfy those needs. This is a good example of how a consumer issue can be addressed with just a little ingenuity, without the need for advanced development.

Today, consumers hold the initiative. The era in which companies succeed through a product-out approach, telling customers what they need and what to buy, is over. We need to have a market-oriented sensitivity that allows us to carefully observe our customers, sense what their issues are, and proactively propose ideas that will help address these issues. As I often say, merchants need to be like water: the core of a merchant is to change shape like water to fit the vessel of customer needs. No matter how much technology advances, I maintain a strong sense of urgency that business in the future will not be possible without this kind of sensitivity.

The True Meaning of Corporate Brand Value

In April 2025, something happened that shocked me as a person who has been involved in the brand business for a long time. In the European (Paris) stock market, luxury brand companies dominate the top ranks by market capitalization. For the first time in 26 years, Hermès International SCA overtook LVMH Moët Hennessy Louis Vuitton (LVMH) for the top position. LVMH owns a wide range of brands, including Louis Vuitton, Moët Hennessy, Tiffany, and Dior. In contrast, Hermès International has focused exclusively on the HERMÈS brand, targeting the wealthy and emphasizing rarity over scale. While HERMÈS has many famous items that everyone desires, there are also some products that miss the mark. Even so, receiving something bearing the HERMÈS brand is universally welcome. It is likely due to the power of brand that HERMÈS has been able to stay on top.

I think the same can be said for companies in general. Business performance may fluctuate with the business environment, but once a brand—in other words, corporate value—is established, its value can be maintained and enhanced through ongoing refinement, no matter the circumstances. Under our Management Policy, “The Brand-new Deal,” we have committed to continuously enhancing ITOCHU not only in quantitative but also qualitative terms. Strengthening ITOCHU’s qualitative aspects is core to our brand. For example, this year we were ranked first overall in six out of the seven major rankings of most desirable employment destinations, and first among general trading companies in all seven rankings. These rankings, based on reputation and corporate image as judged by students who have not yet joined the workforce, are a direct reflection of how society evaluates us. While high rankings directly help us secure outstanding talent, we place even greater value on them as indicators of our corporate brand value. Our efforts extend beyond recruitment to areas such as IR and sustainability, which are of strong interest to market participants. I am confident that the corporate brand value we have cultivated, like HERMÈS, is the very foundation of our corporate value. (☛ Page 40 CAO Interview)

Expanding Investment Opportunities through Trust

Corporate brand value can also be described as trust and credibility. When people hear that someone is from ITOCHU, they have confidence in doing business with us. When ITOCHU invests in a company, stakeholders expect us to enhance its corporate value through governance and leveraging our management resources. This is the image we strive to achieve. Conversely, if the poor behavior of even one person causes customers to have a negative impression of ITOCHU as a whole, it will damage the value of ITOCHU’s corporate brand. In other words, corporate brand value is the trust and credibility for which every member of the ITOCHU Group is responsible. Just as HERMÈS has honed its brand value, it is essential for all of us in the ITOCHU Group to continue rigorously refining our brand value.

In contrast, some of the activities of certain activists that have become prevalent in recent years are contrary to the ideals we aim to achieve. For example, we are particularly concerned by excessively short-term-oriented and arguably self-centered activities, such as demands for short-term turnaround of business performance through restructuring and asset sales, and excessive shareholder returns by drawing down internal reserves. If once-excellent companies lose their strength and the competitive environment collapses due to restructuring-centered cost competition and the maximization of short-term profits, it could lead to job loss, the shrinking of regional economies, a weakened supply chain, and the deterioration of products and services for customers, ultimately undermining the vitality of the Japanese economy. Just as the spirit of "*Sampo-yoshi*" (good for the seller, good for the buyer, good for society) has supported our sustainable growth for over 160 years, if we can create a shared understanding not only between our investee companies and ourself, but also with our customers and society, then everyone connected with the investment and business can demonstrate their full potential. By improving our performance and building trust in ITOCHU through our business, we are actually expanding new business opportunities.

For example, our capital alliance with Hitachi Construction Machinery Co., Ltd., launched in 2022, was executed in response to the selection and concentration strategy of its parent company, Hitachi, Ltd. By leveraging our expertise to support the expansion of Hitachi Construction Machinery Co., Ltd.'s North American business and finance business, we aimed to become their top partner. The positive reputation from this synergy has led to further alliances with Kawasaki Motors, Ltd. and AICHI CORPORATION, including building a retail finance business in the U.S. for Kawasaki Motors, Ltd. With Nishimatsu Construction Co., Ltd., where we invested in 2021 for relief from activists, we have built various synergies, including the construction of our company dormitory for female employees, and have reached an agreement to increase our equity share for even deeper collaboration. As a result, we are seeing more opportunities for investment based on trust in our Company.
(☛ Page 60 Expanding Collaboration with Leading Domestic Companies by Leveraging "Trust and Credibility")

In the business reconstruction of WECARS Co., Ltd., we are not only expanding our business platform as Japan's largest used car marketplace but also contributing to employee retention and restoring trust across the industry. By steadily accumulating such results, we are simultaneously enhancing corporate brand value and expanding new investment opportunities.

Becoming a Company that Represents Japan

To be honest, when my columns for the "My History" series began, I was nervous about how readers would react. As the series progressed, I was relieved to receive much more positive feedback from the public than I had expected. I even received a letter from a young person who wrote, "You gave me courage." If I have been able to encourage many people, nothing could make me happier.

People form impressions of companies based on their interactions with individuals. Regardless of title or position, every employee, including new hires, shapes ITOCHU's brand. One reason I wrote "My History" was to take the lead as CEO in raising ITOCHU's brand value.

The longer I have been involved in ITOCHU's management, the more acutely I feel the challenge of competing with general trading companies associated with the former *zaibatsu* that have inherited vast assets. But I cannot make excuses. I am determined to win back the Triple Crown among general trading companies based on consolidated net profit, market capitalization, and ROE, and ultimately achieve ¥1 trillion in consolidated net profit. Beyond competing within the sector, I am committed to raising our market capitalization as soon as possible to consistently be among the top 10 companies on the Tokyo Stock Exchange. At Berkshire Hathaway Inc.'s shareholders' meeting, Mr. Buffett remarked that investment in general trading companies would last more than 50 years. We must strive to be a company that meets these long-term expectations. I want ITOCHU to be the type of company, with the type of management, that allows every investor and stakeholder to experience the Japanese Dream through the sustainable enhancement of corporate value. I will continue to devote myself every day to making this possible.

By honing our front-line capability and ability to make timely corrections through "cultivating human power and sensitivity," we will carve out the future of ITOCHU.

Keita Ishii
President & Chief Operating Officer; CSO

Cultivating Human Power and Sensitivity

This phrase was one of the key messages I shared with new employees at welcome ceremony in April 2025. Each year, I reflect deeply on what I should convey in my own words to the next generation of "to-be merchants" who will help carve out the future of ITOCHU. Looking back on my career of over 40 years, from delivering chemicals and negotiating prices with overseas suppliers to managing organizations, I am reminded that regardless of position or geography, the foundation of all business is "human power": integrity and character. Looking back at my younger days, there are many times when I wish I had done more, and with this in mind, I have reflected on myself and believe that this is something that we should acquire above all else as a merchant.

I must also mention another important thing: "sensitivity." As the saying goes, "Merchants need to be like water," in business, it is crucial to read the tides and winds of society and be adaptable to ever-changing customer needs. Refining one's sensitivity enables one to discern the true nature of customer demands. Sensitivity is an indispensable quality for any merchant, and it cannot be acquired solely by sitting at a desk or through AI; it must be honed in real-world front-line settings. For example, when visiting a customer, if we observe the office before beginning business negotiations, we can often get a sense of the atmosphere at the reception desk and the behavior of the other visitors. This doesn't happen as much anymore, but in the past, we would sometimes meet customers at their desks, where a single photograph might reveal much about a person's character, such as their family or hobbies. In other words, there is an abundance of information at the site, and the information that can be obtained from there is limitless. The basis of being a merchant is to be highly sensitive to the information obtained from the site, to digest it, and then to wholeheartedly engage with customers and the world of business.

Actions rooted in customer perspectives, derived from refined sensitivity, combined with the humanity that attracts others, together form the foundation for building trust with customers. Building a chain of trust such as "The new person in charge at ITOCHU is punctual,

COO M

seems honest, and considerate," "They understand our company's situation well, and come up with good proposals in a timely manner," and "I'll consult with ITOCHU again next time" leads to personal connections and business opportunities. This philosophy serves as the foundation for not only new employees but also ITOCHU's Companywide commitment to a market-oriented perspective.

Demonstrating the Ability to Make Timely Corrections

In fact, in my message to all employees, I talked about another skill that needs to be honed in addition to human power and sensitivity: the ability to make timely corrections. Recently, with the tariff policies implemented by the Trump administration in the United States and rising geopolitical risks around the world, unpredictable changes in the external environment are flooding the forefront of business one after another, and we are living in an era where the ability to make timely corrections is truly critical, and simply relying on an extension of previous thinking is no longer sufficient. The ability to quickly perceive changes in circumstances and move forward by flexibly adjusting plans and strategies is essential. There are different types of information; relatively open information that can be obtained from television, the internet, or SNS, and closed information accessible only through trusted personal networks. We live in an era where open information can be instantly disseminated through digital technology and is accessible to everyone. Meanwhile, live information obtained from closed front-line networks derived from information networks based on relationships of trust with customers is essential for proactive crisis response. In other words, for demonstrating the ability to make timely corrections, which makes the difference in crucial situations.

FYE 2025 was not an easy fiscal year, with falling resource prices and weaker-than-expected operational performance at some projects. Despite the situation, we achieved 10% growth that was in line with our initial plan

ESSAGE

and achieved record-high profits. This success was driven by the Group's collective demonstration of the ability to make timely corrections, rooted in the front line. Many Group companies, deeply embedded in their respective fields, leveraged high-quality information networks to respond proactively, resulting in record-high Group company profits, with over 90% of companies reporting profits, and approximately 30% achieving record-high profits. We believe this is a case that truly demonstrates the high level of the ability to make timely corrections of our Group.

Flexibility in responding to external changes is equally necessary for ESG and decarbonization initiatives. Recently, we are seeing a reversal in global policies and a change in the timeline for the transition to a decarbonized society. However, the transition toward a sustainable society is an irreversible trend in the long term, and when we look closely, we can see that the impact on individual businesses varies. It is essential that various ESG-related initiatives be adjusted to reflect reality and, move forward based on actual consumer needs. With the advancement of AI, there is an increase in global demand for electricity, and even in the current situation, there are areas where demand is growing, such as renewable energy and storage batteries that stabilize power supplies. Taking advantage of our sensitivity and flexible ability to make timely corrections we have honed in the field, we will continue to pursue sustainable initiatives in ESG and the decarbonization business with a grounded and realistic perspective. (☛ Page 50 Initiatives for Steadily Promoting Sustainability)

Creating New Businesses by Breaking Down Product Silos

Since the welcome ceremony in April 2025, I have also assumed the additional role of Chief Strategy Officer (CSO). Until April 2025, my responsibility was President & Chief Operating Officer (COO), which is the head of the front line. I now also lead the planning and strategic functions as CSO. To accommodate the additional responsibilities, my workplace has also been moved to a location closer to the site. A lot of information flows constantly on the floor every day, where many departments, including the Corporate Planning & Administration Division are located. Until last fiscal year, as COO, I was in a position to make decisions together with the Chairman & CEO on the plans and strategies drafted by the CSO and Corporate Planning & Administration Division. Now, I am able to feel the tone and passion of the Corporate Planning & Administration Division members' discussions firsthand, and we work together to consider measures and strategies to respond to issues that arise every day. This new perspective has offered many insights. For example, the Corporate Planning & Administration Division gathers a vast amount of information from all over the world. However, due to the nature of the Corporate Planning & Administration Division, there is an inherent tendency for it to become distant from the front line, and as a result, I was concerned that it would become a tally-up business that only pursues figures on business performance trends. I have many opportunities to visit front lines around the world, and it is my responsibility to communicate the changes in the business environment I have noticed there, and to further strengthen the sense of unity between business sites and management.

Another key mission as CSO is to break down product silos. The Corporate Planning & Administration Division is staffed by talented personnel from all the Division Companies, but there is a tendency for their thinking to remain siloed according to their respective origins. However, new value expected by the market cannot be created through such ways of thinking. Today, as seen in partnerships between major telecom carriers and financial institutions, the trend is to combine strengths across industries to create entirely new value and markets. I believe it is precisely the role of a general trading company to lead and pioneer such endeavors. In FYE 2025, we proactively advanced projects such as WECARS Co., Ltd. and PASCO Corporation, which involved combining value across traditional business domains. As we set a flag of ¥1 trillion in growth investments this fiscal year, we will maximize our comprehensive capabilities and downstream perspective to realize growth investments on a large scale. Utilizing my network as the Company's representative and my oversight position as President, I see it as another key responsibility to facilitate cross-company collaboration and create new businesses beyond existing Division Companies boundaries. (☛ Page 58 Creating and Expanding Businesses by Utilizing FamilyMart's Business Platform)

We have been steadily growing earnings and are in a position to aim for our second consecutive year of record-high profits in FYE 2026. However, I would like to mention a few concerns I have from my standpoint, as well as some challenges I believe we are facing. These are "strengthening our overseas expansion" and "utilizing digital technology and AI." In FYE 2025, I visited many Group companies and overseas offices. For example, in Thailand, where I previously served as head of the office, I sensed a decline in Japan's presence due to the weaker yen and other factors. Furthermore, changes in communication post-COVID-19 have increased direct interaction between headquarters and overseas clients, sometimes weakening cross-functional thinking and networks within local offices. Although we have a robust business foundation, particularly in Japan and the non-resource areas, there is still significant potential for expansion overseas, and capturing business opportunities abroad remains one of our key challenges. In many countries, especially in the Global South, personal relationships are critical to business success. By engaging directly and building a relationship of trust, unexpected business opportunities often open up, and by taking the initiative as President to visit key figures and top executives in various countries who are difficult to reach through employees on front line, I want to open new gateways for overseas business expansion.

Digital utilization is another challenge we face. AI is evolving rapidly and fundamentally transforming our business and society, as everyone is aware. However, compared to countries such as India and the United States, there is a difference in awareness regarding the use of AI, and I feel a great sense of crisis. My message is clear, "First, get in touch with cutting-edge technology and experience it for yourself." I see digitalization not as a cost, but as an investment for the future. By learning from cutting-edge digital and AI use cases overseas and quickly bringing them to Japan, we have unlimited potential to create higher value-added business for our customers and consumers. Digital utilization also makes it possible to connect businesses that were previously considered separate. We will continue to refine our market-oriented sensitivity, maintain a high level of awareness, and promote digital and AI utilization with agility and an open mindset.
(☛ Page 56 Digital Strategy for the Sustainable Enhancement of Corporate Value)

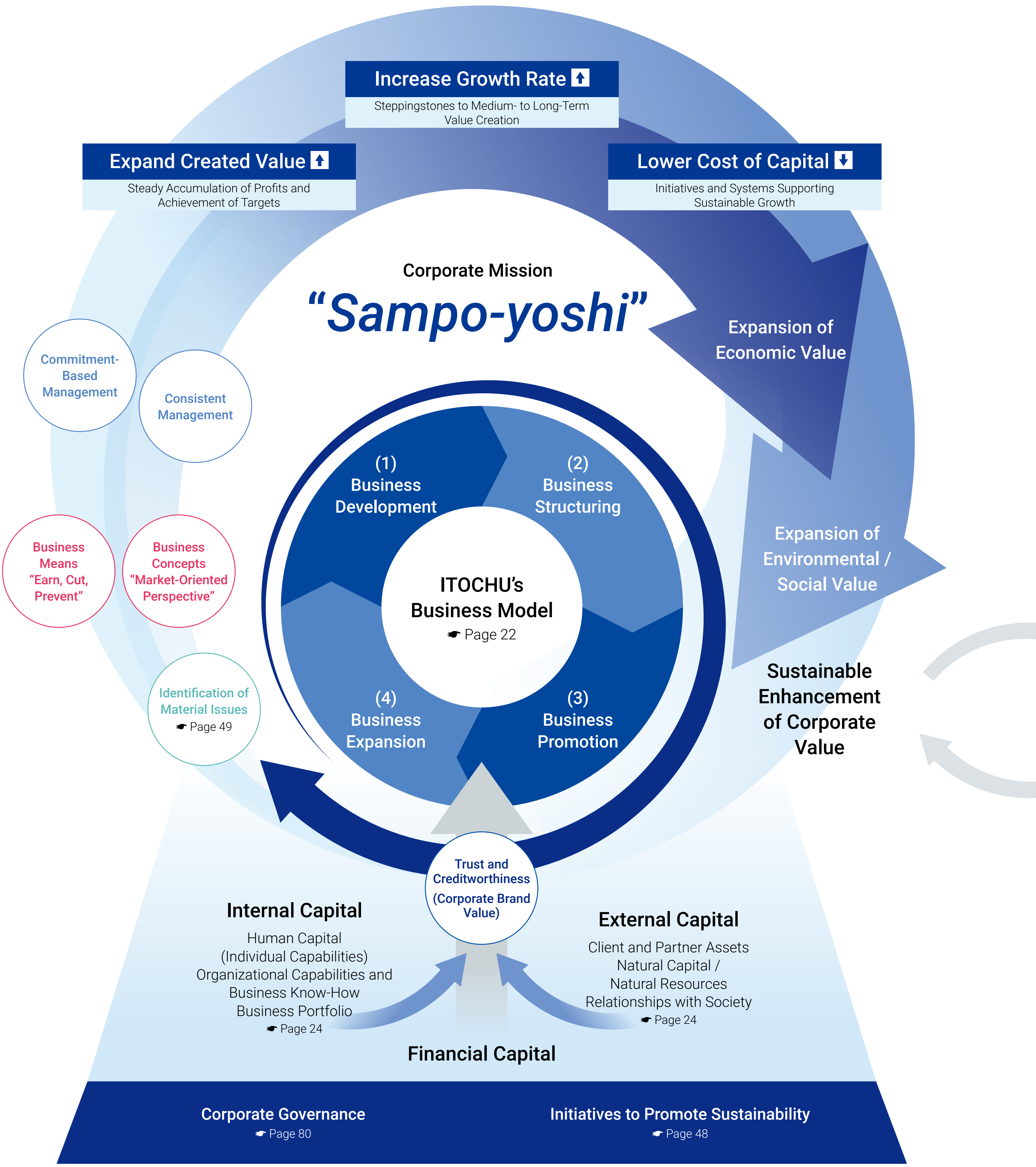
ITOCHU Group's Underlying Strength

Breaking down product silos, overseas expansion, and digital utilization represent the areas where we strive for the next stage of advance, or in other words our potential. There is another important growth potential that I would like to share with our stakeholders. It is our Group companies that I referred to as "treasures" in my message last year.

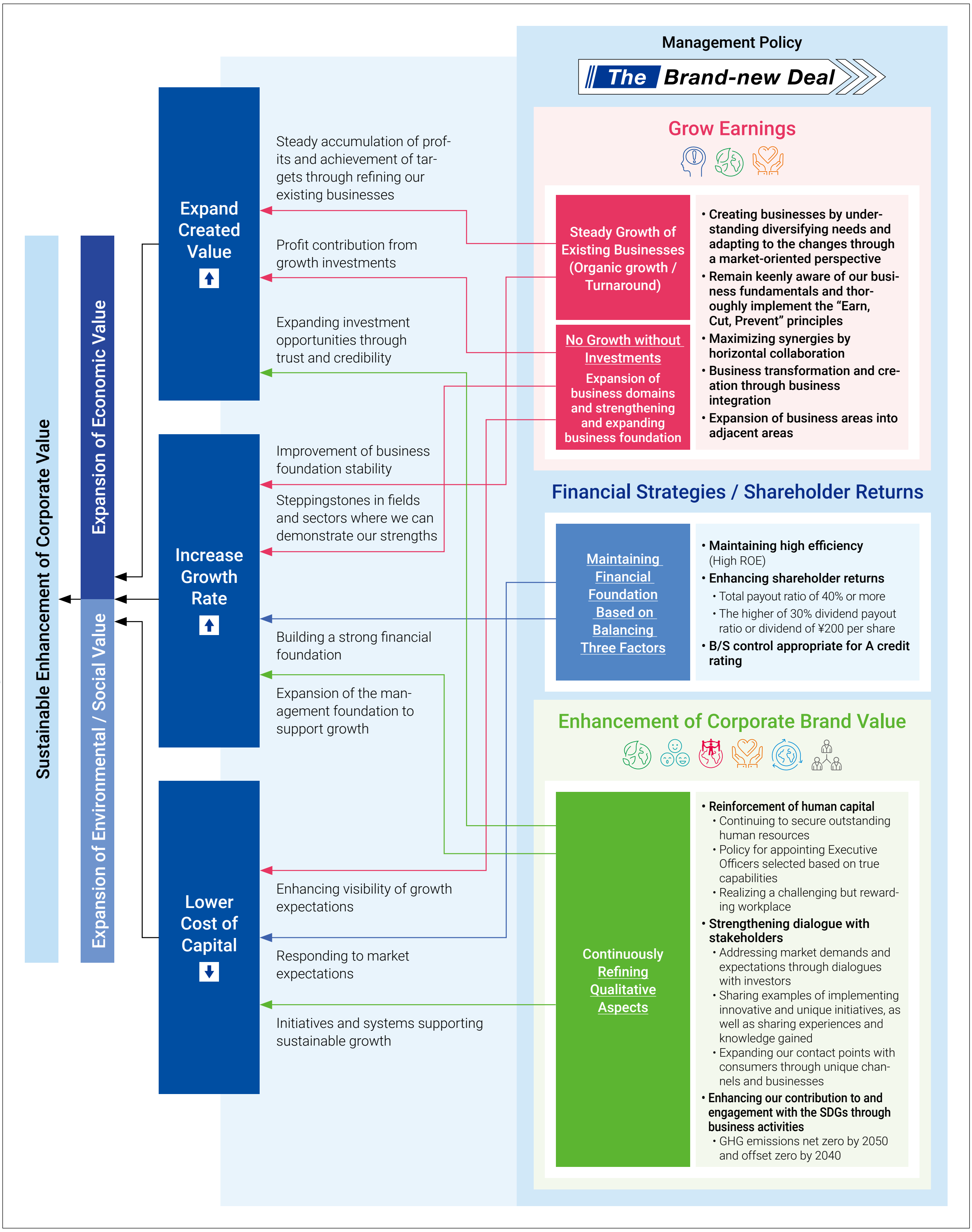
In December 2024, we held our first "Prestige Lunch," inviting outstanding employees from major Group companies. The purpose of the event was to convey gratitude to employees who have achieved outstanding results over multiple years at Group companies that support the ITOCHU Group. I wasn't sure what kind of atmosphere would be created with people from various Group companies of different industries and scales gathering together, but the conversation flowed so naturally that it was hard to believe it was our first time meeting. Subsequently, we organized visits to our founding sites, and new connections continue to be formed among the participants. It was a valuable opportunity to keenly feel the strength of the human powers that define our entire Group. What also impressed me deeply was how our management philosophies, such as the "Earn, Cut, Prevent" principles and commitment-based management, have become remarkably ingrained among front-line employees. These concepts, repeatedly communicated across the organization, are now naturally included in conversations, and fully understood and practiced by employees. Over time, the philosophies have permeated the front lines and taken root as part of our Group's Management Philosophy. I believe that this is precisely where ITOCHU's strength lies.

Four years have passed since I became President & COO, and through financial results briefings and small meetings, I have built up opportunities for dialogue with market participants. To have our potential for growth understood better, I will continue this fiscal year to take the lead at the front lines to maximize our Group's underlying strength and further enhance corporate value.

The Merchant Value Creation Cycle



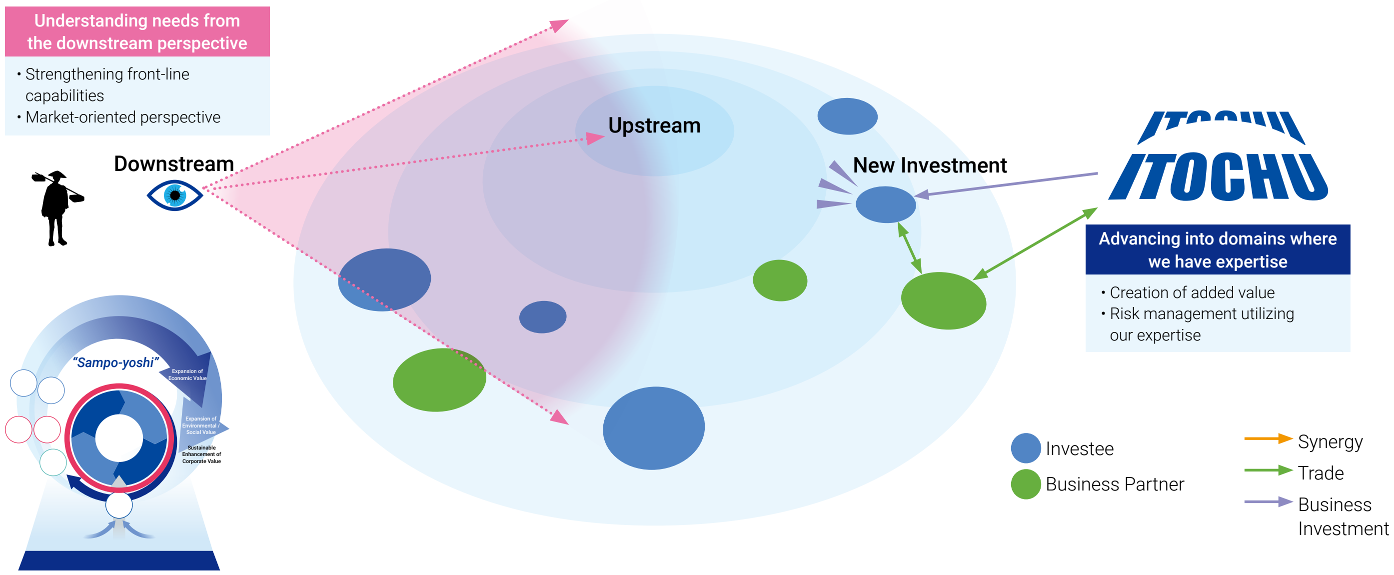
We are consistently guided by the spirit of "*Sampo-yoshi,*" and believe that the ability to flexibly adapt to changes in society and customer needs is the true essence of management and the source of long-term value creation. Furthermore, by expanding both economic value and environmental and social value—through putting our management philosophy into practice and effectively utilizing accumulated capital—we aim to drive sustainable value creation and foster a virtuous cycle of further capital accumulation. In addition, by clearly demonstrating the connection between our Management Policy and our value creation process, we strive to further strengthen confidence in our efforts to enhance corporate value.



ITOCHU's Business Model

Our business model is characterized by the dual approach of "business investment" and "trade," driving sustainable value creation through the generation of business opportunities from a downstream perspective based on merchant management philosophy.
In other words, our strength lies in our ability to combine "points (business investments)" and "lines (trades)" to promote business development on "surfaces," such as building value chains, providing financing functions, and sharing customer bases and knowledge.

Creating added value through the business concepts of Market-Oriented Perspective and Profit Opportunities Are Shifting Downstream



(1) Business Development

Business Investment: Sourcing projects, bringing in projects from business partners and customers

Trade: Developing new customers and handling new products

- We develop businesses based on needs rather than strategy. With a market-oriented perspective, each Division Company considers business investments and new business opportunities from the bottom up.
- We provide high-value-added products, services, and functions from the downstream in all domains from upstream to downstream.
- We do not only proactively search for opportunities ourselves but also search for new business opportunities through our existing networks of customers and partners.
- We place strong emphasis on materiality in creating new businesses, aiming to address social issues and pursue the spirit of *"Sampo-yoshi."* (☛ Page 49 Flow of Sustainability Promotion)

(2) Business Structuring

Business Investment: Due diligence, structure review, valuation, condition negotiation, and contract conclusion → **Investment execution**

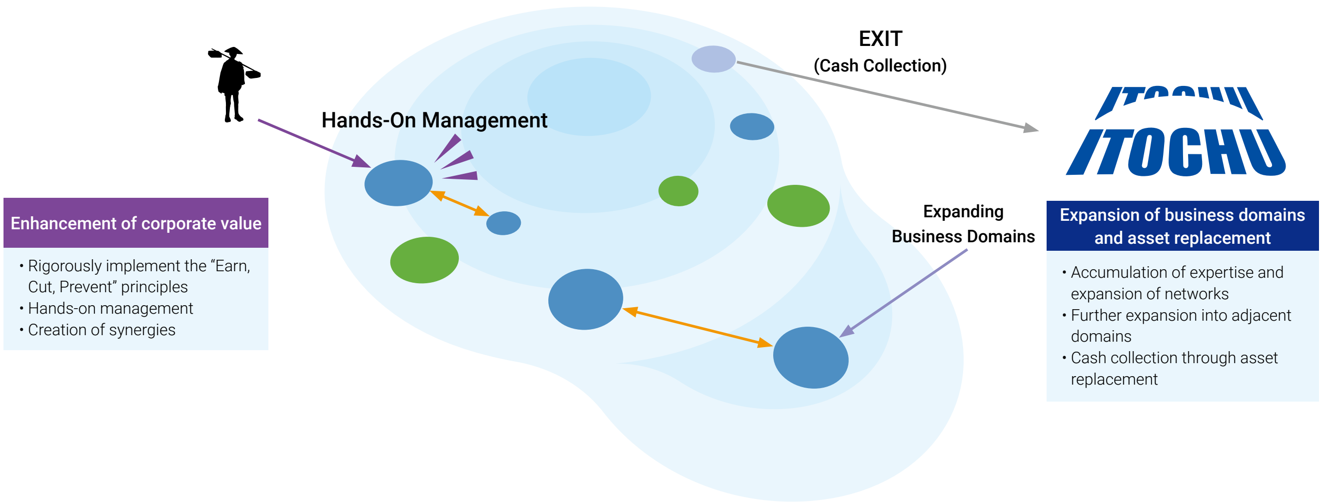
Trade: Negotiation of terms, credit screening, and contract conclusion → **Implement transaction**

- When considering new businesses or investments, we carefully assess why we should engage the business, identify the functions, expertise, and potential synergies that are expected of us, and advance only in areas where we can create added value.
- We not only participate in trading but also seek to strengthen our functions within the value chain, expand into adjacent domains, and secure positions where we can exercise initiative within the business flow.
- We place particular emphasis on leveraging the capital and strengths we have accumulated, while rigorously applying "The Four Lessons for Investments" from past investments failures.
- We thoroughly prepare risk countermeasures for unforeseen circumstances and ensure that necessary rights and future protection measures are incorporated into our contracts.

Differences between Typical Private Equity (PE) Funds and ITOCHU

	Typical PE Funds	ITOCHU
Investee Liquidity	In principle, unlisted	Either listed or unlisted
Holding Period	Around five years with an exit strategy	Buy and hold
Personnel Secondment to Investee	Outside managers dispatched	ITOCHU personnel dispatched to management or front-line operations (Hands-on management style)
Synergies	In principle, none	Create synergies with existing businesses and expand business domains

Enhancing corporate value through business means of
Earn, Cut, Prevent and Hands-On Management



(3) Business Promotion

Hands-on management, PMI* execution and synergy creation

Delivery of goods, collection of payment, and handling of complaints

- We will thoroughly strengthen front-line capabilities and practice hands-on management to carefully develop each business and increase our corporate value.
- We dispatch our personnel to all departments, from management to front-line and administrative divisions, to identify issues facing our investees and resolve issues, and create added value, thereby enhancing corporate value.
- We rigorously implement the "Earn, Cut, Prevent" principles as the fundamental actions of our business, always preparing for change and risk, and consistently implementing lean management.
- We will realize synergies, such as expanding trade between our investees and our Group companies, while also making full use of our Group's management resources to enhance management efficiency.

* PMI: Post-Merger Integration

(4) Business Expansion

Horizontal collaboration, expansion to adjacent domains, value chain development, and asset replacement

Expanding business, strengthening relationships of trust with business partners, and understanding needs and industry trends through business transactions

- By utilizing the network and accumulated knowledge expanded with the growth of our investees, we aim to expand our business domain and strengthen our business foundations, such as by expanding and optimizing the value chain, thereby expanding our profitability and improving our asset efficiency.
- We promptly respond to changes in the business environment, and from the perspectives of asset efficiency and risk management, we reorganize or exit assets with diminished strategic significance, appropriately replacing assets. While ensuring the collection of cash, we reinvest the collected capital into new businesses to build a more robust earnings base.
- We will not only focus on our traditional strengths in the downstream area but also fully utilize our assets and know-how in the upstream and midstream areas, aiming to maximize synergies through horizontal collaboration between Division Companies, and to transform and create new businesses by business integration.

ITOCHU's Capital (Financial and Non-Financial)

We have accumulated internal capital that forms the foundation of our competitive strengths—including human capital, organizational capabilities, and business know-how—over more than 160 years. This has been achieved through our business activities, which are driven by both trading and business investment. To strengthen both our internal and external capital, we always focus on conducting business based on the trust and credibility we have developed throughout our history. By enhancing our corporate brand value, we aim to create more economic, environmental, and social value, thereby achieving further capital accumulation and the sustainable enhancement of our corporate value.

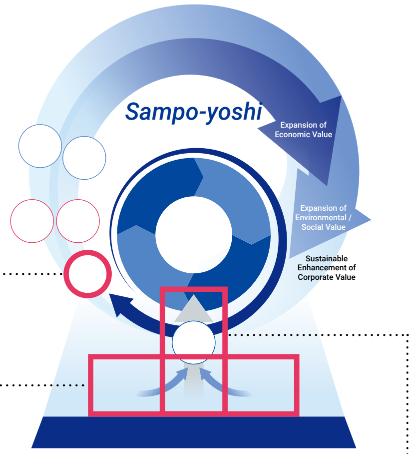
		Explanation of Each Capital (Importance)	Examples of Strengthening Measures
Internal Capital	Human Capital (Individual Capabilities)	Aiming to be a company that is a challenging but rewarding workplace, we have made human resource strategy one of our key management strategies. By increasing labor productivity through improving employees' motivation and willingness to contribute, we are linking individual capabilities to the enhancement of corporate value. Additionally, through accumulating extensive front-line experience, we are heightening the individual capabilities as a merchant.	• Realization of corporate mission and Guideline of Conduct • Conducting PDCA cycle based on engagement surveys • Morning-Focused Flextime System and adoption of the work from home system (for all employees) • Health management (Support for Balancing Cancer Care and Work, etc.) • Strengthening front-line capabilities, including overseas assignments and dispatches to Group companies • Establishment of the Women's Advancement Committee as an advisory committee to the Board of Directors • Enhancing diversity and expanding promotion opportunities through a new policy for appointing Executive Officers
Internal Capital	Organizational Capabilities and Business Know-How	We have established business divisions with deep insights and experience across various industries, as well as highly specialized administrative divisions. Under a swift decision-making system, both divisions collaborate closely together, effectively exercising their respective functions. Our extensive and advanced business know-how, which includes lessons learned from past failures, has accumulated into an intangible asset that is indispensable for creating new businesses.	• Creation of business by business divisions with strong front-line capabilities • Implementation of business support and control function by administrative divisions with specialized expertise • Rigorous application of the "Earn, Cut, Prevent" principles through collaboration between business divisions and administrative divisions • Transforming business models based on a market-oriented perspective • Refining businesses through hands-on management • Rigorous focus on "The Four Lessons for Investments," as well as implementation of trainings on investment failure cases and PMI case studies
Internal Capital	Business Portfolio	Eight Division Companies operate businesses across a wide range of industries. By swiftly responding to rapid changes in the business environment and diverse consumer needs, we create multifaceted, linked businesses and drive business model transformation, leading to a highly flexible, wide-ranging, and balanced business portfolio.	• Practice of consistent management that elevates our entire business • Breaking down product silos and strengthening collaboration among Division Companies • Pursuit of highly efficient management (rigorously selected investments and continuous asset replacement) • Analysis of key management indicators
Financial Capital		We steadily accumulate profits and maintain financial foundation based on balancing three factors: growth investments, shareholder returns, and control of interest-bearing debt.	• Reinforcement of shareholders' equity • Steady improvement in NET DER • B/S control appropriate for A credit rating • Obtained the highest credit ratings among the trading companies from all major credit rating agencies
External Capital	Client and Partner Assets	We maintain win–win relationships with our clients and partners, which include a large number of leading companies. This is vital for acquiring and developing trade, as well as expanding business domains. Our abundant client and partner assets enable sustainable earnings growth and contribute to "*Sampo-yoshi*."	• Selection and securing of blue-chip partners • Collaboration with partners who complement each other's functions • Complying with Environment, Health, and Safety (EHS) Guidelines • Building of secure and safe supply chains
External Capital	Natural Capital / Natural Resources	Through our business in the non-resource and resource sectors, we meet social demand for stable procurement and supply of natural resources. At the same time, we recognize that our broad value chain both depends on and impacts the bounty of all kinds of natural capital, and we capture new business opportunities in responding to social issues outlined in the SDGs.	• Aiming for GHG emissions net zero by 2050 and offset zero by 2040 • Withdrawing completely from thermal coal interests • Enhancement of disclosures in line with TCFD and TNFD frameworks • Strengthening the sustainability management of the supply chain and business investees • Enhancing our contribution to and engagement with the SDGs through environmentally friendly businesses, etc. • Expansion of opportunities for dialogue and deeper business understanding through events such as project briefings and facility tours for analysts and institutional investors • Deployment of unique information-sharing bases and tools for dissemination, including ITOCHU SDGs STUDIO and SHONIN of the Earth (corporate PR magazine)
External Capital	Relationships with Society	We engage in continuous and constructive communication with its stakeholders to grasp and address their expectations and demands toward the Company. These efforts enable us to stably promote business activities in Japan and overseas and heighten corporate brand value, thereby further enhancing corporate value.	

Explanation of Each Capital (Importance) | Examples of Strengthening Measures

Relationship between Material Issues and Capital

We assess the impact of opportunities to increase, and risks that could impair, our capital according to changes in the business environment. Based on this assessment, we identify material issues—key challenges that must be addressed to achieve sustainable growth—and work to resolve them through our core business activities.

(☛ Page 49 Flow of Sustainability Promotion)



Examples of KPI and Monitoring Indicators

- Labor productivity of employees
- Company ranking among jobseekers
- Engagement survey
- Investment in human resource development
- Percentage of career-track employees sent overseas assignment
- Ratio of females among all officers

(☛ Page 44 Human Resource Strategy)
(☛ Page 94 ESG Data)

- Compound annual growth rate of consolidated net profit
- Management efficiency indicators (ROE, etc.)
- Ratio of Group companies reporting profits
- Number of employees participating in training (Training on investment failure cases and PMI case studies)

(☛ Page 34 Business Investment)

- Compound annual growth rate of consolidated net profit by segment
- Management efficiency indicators by segment (ROA, etc.)

(☛ Page 36 Portfolio Management)
(☛ Page 62 Business Portfolio)

- EPS · BPS
- NET DER
- Credit ratings
- Shareholder returns (dividends and share buybacks)
- Share price and market capitalization, TSR

(☛ Page 28 CFO Interview)
(☛ Page 32 Financial Strategy)

- Profits from initiatives with blue-chip partners
- Number of clients and partners

(☛ Page 60 Expanding Collaboration with Leading Domestic Companies by Leveraging "Trust and Credibility")

- Ratio of renewable energy
- GHG emissions
- Electricity consumption
- Water withdrawal
- Waste volume
- Number of engagements with institutional investors and stakeholders
- External evaluations related to IR activities
- Number of sustainability surveys conducted
- Number and percentage of employees participating in sustainability and compliance-related internal training
- Number of compliance violation incidents
- External evaluation by ESG rating agencies, etc., and inclusions to indices

(☛ Page 48 Initiatives to Promote Sustainability)
(☛ Page 94 ESG Data)
(☛ Page 96 Dialogue with Stakeholders)

For further details on the ESG data listed as monitoring indicators, please refer to ITOCHU's website:
https://www.itochu.co.jp/en/csr/data/

Examples of KPI and Monitoring Indicators

Relationship between Business Model and Capital —Strategic and Integrated Utilization of Capital to Sustain Competitive Advantage—

(1) Business Development

Invested Capital

Human Capital (Individual Capabilities)	Client and Partner Assets	Relationships with Society

We utilize our networks with customers and partners, as well as our corporate brand, to carve out new business opportunities by focusing on downstream driven and the front-line capability.

(2) Business Structuring

Invested Capital

Organizational Capabilities and Business Know-How	Business Portfolio	Human Capital (Individual Capabilities)

We combine the expertise of our organizational functions and human capital, integrating a diverse range of business resources to create new initiatives and high-value-added businesses.

(3) Business Promotion

Invested Capital

Human Capital (Individual Capabilities)	Financial Capital	Business Portfolio

We rigorously implement the "Earn, Cut, Prevent" principles through hands-on management. We enhance our corporate value by creating synergies within the ITOCHU Group and leveraging inorganic measures, such as the financial capital investment.

(4) Business Expansion

Invested Capital

Financial Capital	Business Portfolio	Client and Partner Assets

We utilize cash generated from divestments and reinvest it to continuously expand our business domains, including building value chains and supporting Group companies in entering adjacent business domains.

Mechanisms and Practices for Value Creation

We have steadily enhanced corporate value while engaging in a wide range of businesses. Underlying this achievement are a variety of management frameworks, including business investment and portfolio management systems that form the foundation for growth, human resource strategies aimed at enhancing labor productivity, sustainability initiatives that enhance sustainability, and the utilization of digital technologies to accelerate business transformation. We explain the mechanisms and practices that contribute to the sustainable enhancement of our corporate value.

¥10.2 trillion
(End of March 2024)

¥5.7 trillion
(End of March 2021)

Brand-new Deal 2023
(FYE 2022–2024)

¥3.4 trillion
(End of March 2018)

Brand-new Deal 2020
(FYE 2019–2020 + FYE 2021)

ITOCHU: INFINITE MISSIONS: INNOVATION
"Evolution to Next-Generation Growth Models" +
"Medium- to Long-Term Shareholder Return Policy (October 2018)"

¥2.2 trillion
(End of March 2015)

Brand-new Deal 2017
(FYE 2016–2018)

"Challenge"
"Engaging All Employees to Lead a New Era for the *Sogo Shosha*"
"Infinite Missions Transcending Growth"

¥1.8 trillion
(End of March 2013)

Brand-new Deal 2014
(FYE 2014–2015)

"Aiming to be the No. 1 Trading Company in the Non-Resource Sector"

Brand-new Deal 2012
(FYE 2012–2013)

"Earn, Cut, Prevent"

¥10.9 trillion
(End of March 2025)

Market Capitalization at Fiscal Year-End
(Including treasury stock)

Management Policy— *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

Realizing business transformation by shifting to a market-oriented perspective **Enhancing our contribution to and engagement with the SDGs through business activities**	**Downstream-driven transformation of the entire value chain with a market-oriented perspective**	• Established consolidated net profit stage of ¥800.0 billion • Upgraded by Moody's, etc. • Established the Women's Advancement Committee and evolved unique work-style reform measures etc.
Reinvention of business **Smart management** **No. 1 health management** **Thoroughly instilling the "Earn, Cut, Prevent" principles as the core of our business**	**Achieved Triple Crown** Enhanced value throughout the consumer sector value chain	• Established a foothold for consolidated net profit of ¥500.0 billion • Established The 8th Company • Revised the Group corporate mission • Became the first general trading company to be included in all ESG-related investment indices adopted by the Government Pension Investment Fund (GPIF) etc.
Strengthen our financial position **Build solid earnings base to generate ¥400.0 billion level consolidated net profit**	**Established a robust business foundation in the China and Asia markets**	• Built an earnings base for consolidated net profit of ¥400.0 billion • Received Moody's A rating for the first time in roughly 20 years • Entrenched work-style reforms and increased the Outside Directors' ratio to at least one-third etc.
Boost profitability **Pursue balanced growth** **Maintain financial discipline and lean management**	**No. 1 in the non-resource sector** Enhanced our strengths through strategic investments in the non-resource sector	• Commenced strategic business alliance and capital participation with CITIC and CP Group • Reformed work styles by introducing the Morning-Focused Working System etc.
Strengthen our front-line capabilities **Proactively seek new opportunities** **Expand our scale of operations**	**No. 1 in the consumer sector** Expanded scale through the accumulation of high-quality assets Enhanced foundation to harness individual capabilities	• Formulated and implemented the "Earn, Cut, Prevent" principles • Increased earnings through aggressive new investments • Strengthened management foundations by reinforcing corporate governance etc.

CFO INTERVIEW

We will continue to drive the sustainable enhancement of our corporate value under our new Management Policy by pursuing globally competitive efficiency and maintaining a consistent financial policy.

Tsuyoshi Hachimura
Member of the Board,
Executive Vice President, CFO

QUESTION 1

One year has passed since the announcement of the Management Policy "The Brand-new Deal." How do you reflect on this past year?

ANSWER 1

Following the disclosure of our business results and management plan in early May 2025, I have had numerous opportunities to engage in dialogue with a wide range of institutional investors and analysts as the head of investor relations, as I do every year. Through these dialogues, I was able to further explain the financial logic behind our Management Policy "The Brand-new Deal," and I feel these dialogues helped deepen their understanding. This Management Policy was developed through repeated discussions among the management team, based on dialogues with shareholders and investors—grounded in my 10 years of experience as CFO. This policy reflects our commitment to highly efficient management, which is one of our strengths, based on our solid track record of realizing steady growth over the long term and an appropriate shareholder return policy. In essence, this represents a roadmap for enhancing corporate value, guided by the "financial matrix" that, starting from a total payout ratio of 40% or more, if we can achieve profit growth of about 10% based on our past track record, we can sustainably deliver a globally competitive ROE of 15% or higher. Many institutional investors, both in Japan and overseas, have commented that this matrix of total payout ratio, ROE, and profit growth rate is simple, clear, and easy to understand. As CFO, I believe it is my mission to provide the market with clear and logical explanations, even when discussing long-term perspectives, supported by quantitative information.

An Image of the Profit Growth Rate Required to Maintain an ROE of 15% or Higher, with a Total Payout Ratio of 40%

		Total Payout Ratio			
		60%	50%	40%	30%
ROE	13%	5%	7%	8%	9%
	14%	6%	7%	8%	10%
	15%	6%	8%	9%	11%
	16%	6%	8%	10%	11%
	17%	7%	9%	10%	12%
	18%	7%	9%	11%	13%

Reflecting on FYE 2025, the first year under the Management Policy "The Brand-new Deal," we achieved record-high consolidated net profit of ¥880.3 billion, which increased by approximately 10% compared to the previous fiscal year, and maintained a high ROE level of approximately 16%. Consequently, we have achieved a 13% CAGR in profit growth since FYE 2011. In terms of growth investments, we decided to execute approximately ¥1 trillion in investments, including projects scheduled for execution in FYE 2026. Specifically, we accumulated high-quality investments that are characteristic of ITOCHU, such as the privatizations of DESCENTE LTD. and C.I. TAKIRON Corporation, as well as the iron ore business in Brazil, which is expected to contribute steady profits. Regarding shareholder returns, we achieved a total payout ratio of approximately 50%, exceeding the level set in our long-term Management Policy. We paid an annual dividend of ¥200 per share (an increase of ¥40) and executed ¥150 billion of share buybacks. However, challenges remain. As I stated in my own words since announcing the FYE 2025 3rd quarter business results, core profit fell short of market expectations due to the decline in resource prices, delays in the turnaround of certain businesses, and the impact of delays in the timing of profit contributions from new investments. While extraordinary gains, such as the revaluation gain resulting from the conversion of DESCENTE LTD. into a consolidated subsidiary, and steady progress in PMI* at non-resource businesses such as CTC and DAIKEN CORPORATION, enabled us to achieve our initial consolidated net profit plan, it is a fact that core profit fell short of our initial plan. I am aware that this has caused concern among some investors, and management shares a strong sense of urgency regarding this issue. In particular, for the underperforming businesses, we are engaging in more in-depth discussions on what kind of turnaround measures should be implemented, and the extent to which our hands-on management approach, which is our strength, can be effective. I strongly believe that steadily accumulating core profit to achieve profit growth is essential to meet investor expectations.

* PMI: Post-Merger Integration

QUESTION 2

How will you continue to achieve profit growth in the uncertain business environment?

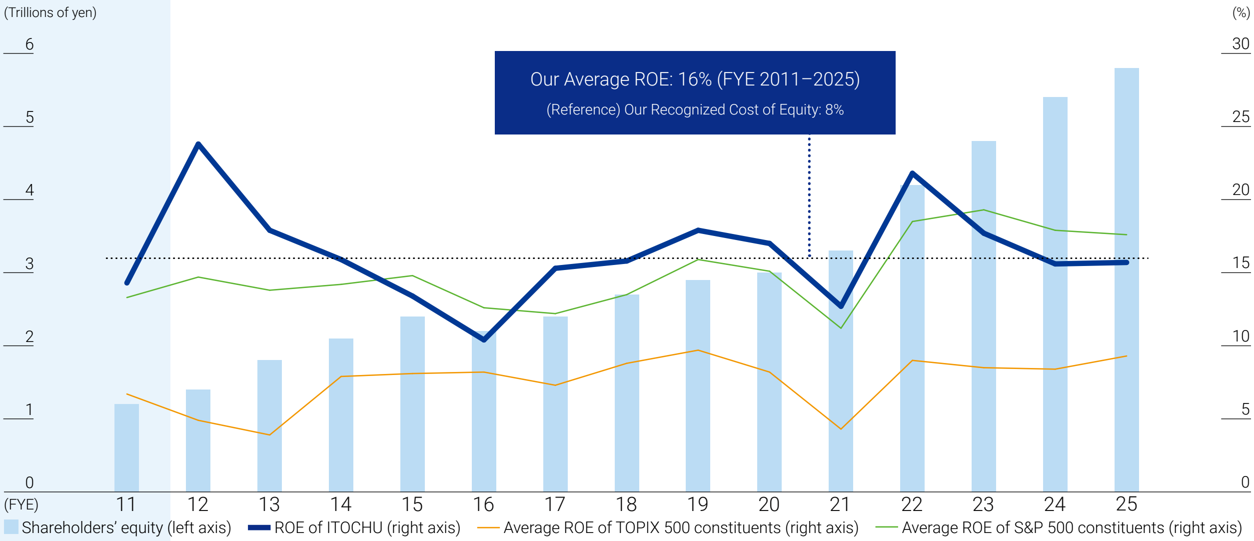
ANSWER 2

I have been busier than usual in preparing the management plan for FYE 2026. We are at a time of significant change in the business environment. Since President Trump's inauguration, the business environment, including tariff policy, has been changing day by day. I recognize that the business environment is highly uncertain, with the World Bank and the Bank of Japan also lowering their economic outlooks. It is precisely in times like these that management must remain calm and rigorously assess the situation. For our management plan for FYE 2026, rather than taking the conventional approach of treating recession risk as a Companywide buffer, we have presented a plan that starts from a solid, achievable level of core profit. From there, we incorporate recession risks by segment and aim to achieve the plan through profit contributions from organic growth and new investments. Regarding the recession risk, we determined that the broader economic slowdown due to the deterioration in sentiment would have a greater impact than the direct impact of tariffs. Based on the fact that core profit in FYE 2021, when economic activity stagnated due to the COVID-19 pandemic, fell 6.8%, and considering that the situation would not be as severe as a global shutdown of economic activity, we incorporated an assumption of approximately 5% impact on core profit.

In this challenging environment, the key question is how we intend to drive growth in core profit—our top priority. The critical point lies in how we evolve our unique strength: hands-on management. By organizing and analyzing data such as profit contribution, ownership, and growth rate for each Group company, we can identify the distinctive characteristics of our Group. In FYE 2025, we had 148 small-scale Group companies with profit contributions of ¥2 billion or less, around 50 medium-sized Group companies contributing ¥2–10 billion, and nine Group companies (including IMEA, FamilyMart, and CTC) contributing over ¥10 billion. Our earnings base, which is highly resilient to economic fluctuations and supports our sustainable growth, is made up of a wide range of Group companies diversified across different areas, rather than relying solely on large-scale Group companies.

For small-scale Group companies with profit contributions of ¥2 billion or less, while their value is not limited to their absolute profit contribution, they play a key role in supporting our extensive domestic network in the consumer sector, such as Textile, Food, and General Products & Realty, and this leads to an advantage in the information we can reach. Even if the profit generated is not large, an increase of ¥100 million for a Group company with net profit of ¥1 billion, or tens of millions for a Group company with net profit of ¥100–200 million, represents a significant growth rate. Accumulating these profit increases across multiple companies is also essential for overall growth. Smaller Group companies, in fact, tend to benefit more visibly from our hands-on

Trend of ROE and Shareholders' Equity



(Made by ITOCHU based on Bloomberg data)

Number of Group Companies and Profits / Losses from Group Companies by Scale (FYE 2025 Results)

Scale of profit contribution	Number of companies		Total profits / losses from Group companies
Over ¥10 billion	9	IMEA, CITIC, FamilyMart, CTC, YANASE, etc.	¥470.2 billion
¥5 to ¥10 billion	20	ITOCHU ENEX, Hitachi Construction Machinery, DAIKEN, etc.	¥131.8 billion
¥2 to ¥5 billion	28	HOKEN NO MADOGUCHI, C.I. TAKIRON, HYLIFE, ITOCHU KENZAI, etc.	¥90.6 billion
– ¥2 billion	148		¥79.9 billion
Group companies reporting losses	22	IFL, Dole, etc.	(¥20.1) billion

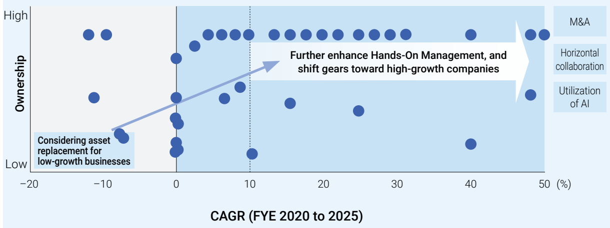
* Excluding overseas trading subsidiaries, etc. Profits / losses from Group companies exited during the period are not included.

Diversified Portfolio across Sectors with a Strong Base of Small and Medium-Sized Group Companies.

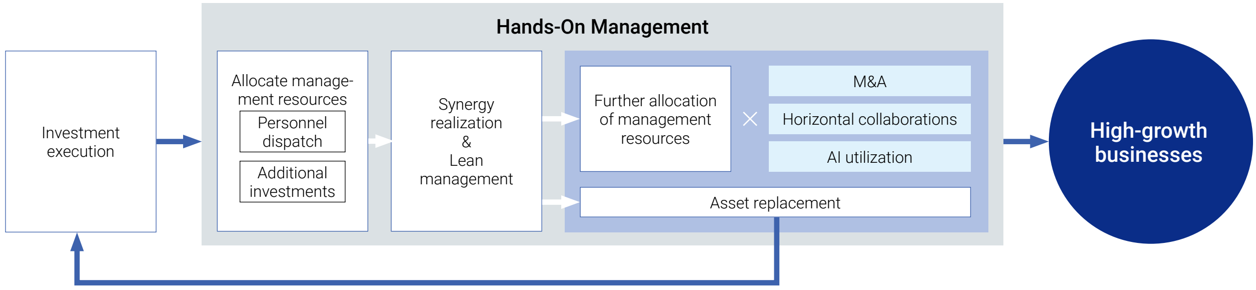
Growth Rate of Medium-Sized Companies over the Past Five Years

[Plot Group companies with profit contributions between ¥2 to 10 billion by ownership ratio and CAGR]

Group companies with higher ownership and Hands-on Management tend to show higher growth rates



Fostering High-Growth Businesses through the Evolution of Hands-On Management



approach. By dispatching our employees and alumni to support them, we aim to drive steady growth through management improvement — focusing especially on the "Cut" and "Prevent" aspects of our "Earn, Cut, Prevent" principles.

I believe the key focus should be on the Group of medium-sized Group companies with profit contributions of ¥2–10 billion. This group is characterized by its breadth and diversity across a wide range of business fields. Analysis of growth rates over the past five years shows that medium-sized Group companies with established business foundations and hands-on management have tended to achieve higher growth. There is no doubt that our growth to date has been supported by our hands-on management, in which we proactively allocate management resources to investees, realize synergies, and implement lean management. Through these efforts, we have nurtured our core businesses and driven sustainable growth. However, it is not simply a matter of increasing our ownership by injecting additional capital or dispatching personnel without careful consideration. It is essential to assess the situation of each Group company and develop the optimal strategy to accelerate their growth, whether that means allocating additional resources through a hands-on approach, maintaining the current level of involvement, or shifting to a hands-off strategy that leverages external capital or business restructuring. It is essential to further evolve our existing hands-on management by strengthening our earning power through combining M&A by Group companies, horizontal collaboration within the Group, the AI utilization, and rapid asset replacement. For example, we view M&A by existing Group companies as one way to pursue relatively low-risk investments aimed at expanding into adjacent domains or fields where we have expertise. In FYE 2025, several Group companies including ITOCHU KENZAI CORPORATION, ITOCHU CHEMICAL FRONTIER Corporation, ITOCHU Retail Link Corporation, and a subsidiary of C.I. TAKIRON Corporation have initiated their own M&As as a means of driving business expansion. While large-scale, inorganic strategic investments are sometimes important, we believe there is still a lot of room for growth in our neighboring domains where risk can be more carefully managed. By combining these initiatives, we will steadily work to further raise our core profit base.

From the perspective of asset efficiency, regardless of company size, we conduct comprehensive quantitative and qualitative periodic reviews of all business investments to determine whether they are generating returns that exceed the cost of capital. For any businesses identified as low-efficiency, irrespective of their scale, we promptly reconsider our holding policy, including the possibility of swift asset replacements. At the ALM Committee*1 which I chair, we receive reports on key management indicator analysis every year, conducted for each Division Company. In addition to our ongoing analysis of asset efficiency and improvement measures, we conducted in-depth analysis and discussions on the theme of "enhancing hands-on management" for this year. I have instructed each Group company to promptly implement the measures discussed at the committee, and I will closely monitor their progress. (☛ Page 36 Portfolio Management)

*1 ALM Committee: Asset Liability Management Committee

QUESTION 3

What are the key points of the FYE 2026 management plan, and what are your thoughts behind this plan?

ANSWER 3

As I explained at the beginning, the Management Policy "The Brand-new Deal" includes a financial strategy that takes into account the matrix of profit growth rate, shareholder returns, and ROE. There is no change in this mindset. Under the Management Policy of "Grow earnings: No growth without investments," we will continue to steadily accumulate high-quality growth investments that contribute to profit growth, aiming for 10% growth from a medium- to long-term perspective. Regarding shareholder returns, we have maintained a total payout ratio of 50% for the second consecutive fiscal year to meet market expectations. Regarding dividends, on which we have received a variety of opinions, the annual dividend per share is initially set at ¥200, which is the same amount as for FYE 2025. We aim to increase dividends at an early stage as profit accumulates going forward. Our approach to shareholder returns remains adaptable, reflecting the ongoing dialogue with the market.

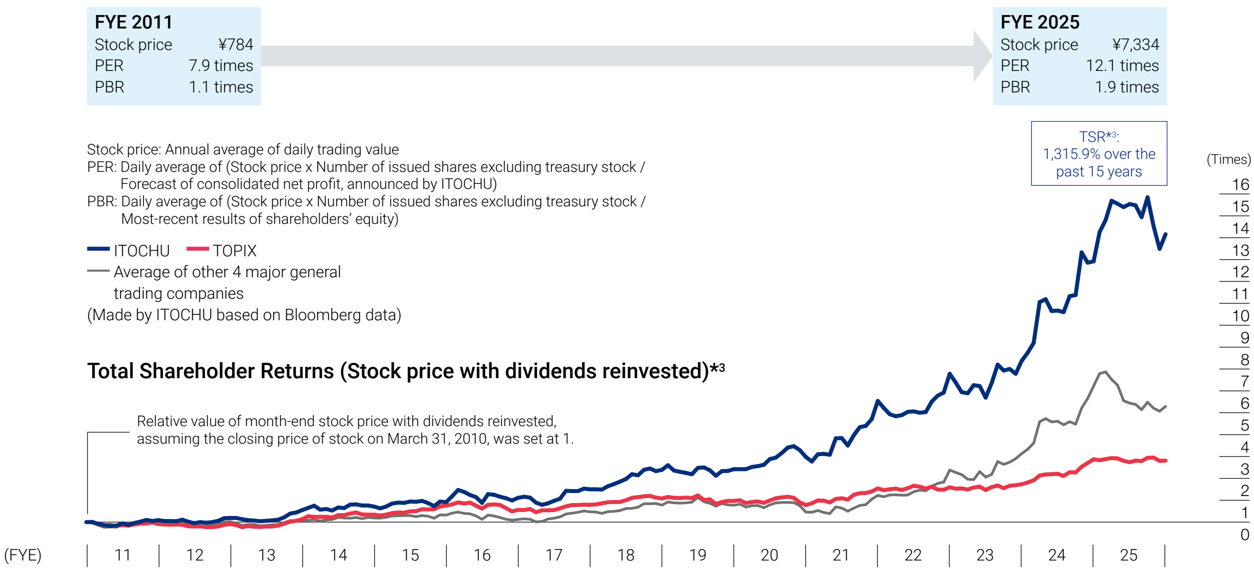
The premise for this cash allocation is our financial policy, in which we aim to maintain a solid financial foundation based on balancing three factors (growth investments, shareholder returns, and interest-bearing debt control) that I am particularly committed to as CFO. For FYE 2026, we are planning ¥1 trillion in growth investments and a 50% total payout ratio, and expect approximately ¥300 billion in cash inflows from asset replacements, including approximately ¥170 billion*2 from the sale of C.P. Pokphand Co. Ltd. in April 2025. We will continue to maintain NET DER at less than 0.6 times. (☛ Page 32 Financial Strategy)

Recently, I held a regular meeting with Mr. Greg Abel, the next CEO of Berkshire Hathaway Inc., one of our major shareholders. Since Berkshire Hathaway Inc.'s investment in the five general trading companies, I am the only member of management who has consistently served as their point of contact. These dialogues with investors, are valuable opportunities to reflect on the importance of meeting market expectations and building strong, unwavering relationships of trust.

We are targeting consolidated net profit of ¥900 billion, a record-high for the second consecutive year in FYE 2026. It is an extremely important year in aiming for a return to the Triple Crown among general trading companies in consolidated net profit, ROE, and market capitalization. I understand market expectations and have incorporated them into our management. I believe I fully understand the expectations now being placed on our Company. I remain committed to fulfilling my responsibilities as CFO, one by one, in order to sustainably enhance our corporate value.

*2 Realized a cash inflow of approximately ¥190 billion in the 1st quarter of FYE 2026. Tax payment of this transaction, totaling approximately ¥20 billion, is expected in FYE 2027.

Trends of Stock Price / PER / PBR / TSR*3



TSR*3 as of March 31, 2025

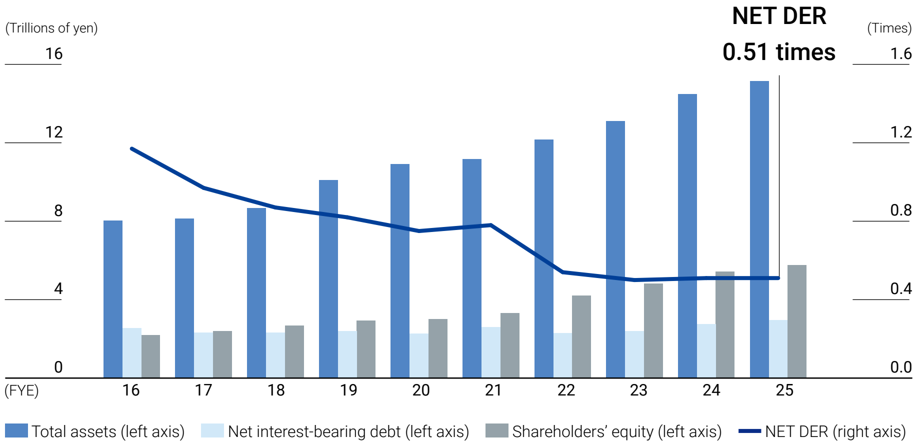
Ownership Period	1 year	2 years		3 years		4 years		5 years		10 years	
ITOCHU	9.6%	69.2%	(30.1%)	81.9%	(22.1%)	116.4%	(21.3%)	256.1%	(28.9%)	639.8%	(22.2%)
TOPIX	−1.6%	39.2%	(18.0%)	47.2%	(13.8%)	50.1%	(10.7%)	113.7%	(16.4%)	117.4%	(8.1%)
Average of other 4 major general trading companies	−13.8%	53.4%	(23.9%)	48.9%	(14.2%)	123.8%	(22.3%)	237.6%	(27.6%)	281.8%	(14.3%)

*3 Total Shareholder Returns (TSR): Returns on investment assuming that dividends are reinvested. The chart above shows relative value of month-end stock price with dividends reinvested, assuming the closing price of stock on March 31, 2010, was set at 1. The table above indicates returns on investment during each period of holdings preceding from March 31, 2025. (Figures in brackets are rate of returns converted to the annual average by the geometric mean.)

Financial Strategy

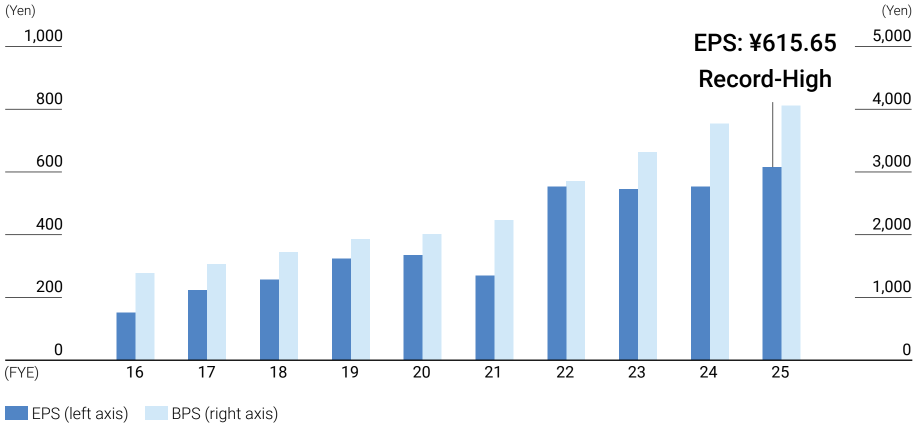
Since FYE 2016, we have consistently maintained a financial policy based on balancing three factors; shareholder returns, growth investments, and interest-bearing debt control.

Financial Position



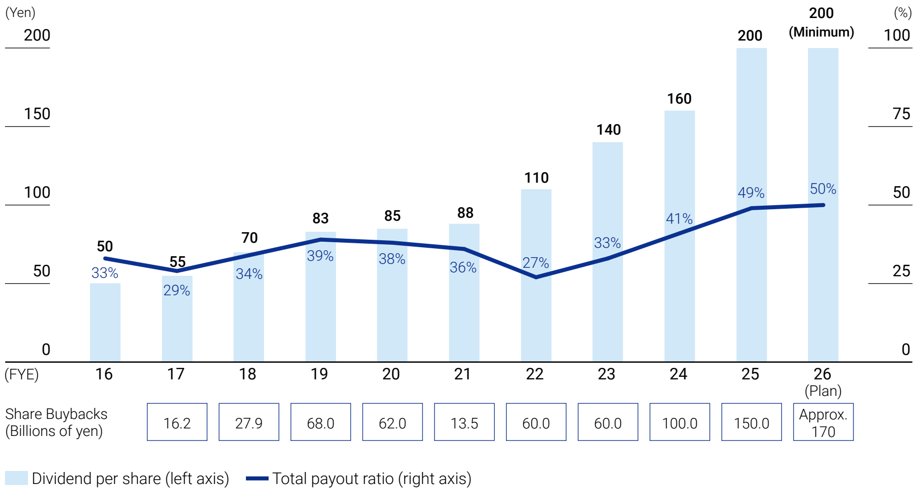
We have continued to accumulate high-quality assets through growth investments while ensuring positive free cash flow after shareholder returns during each previous medium-term management plan period and advancing control of interest-bearing debt. We have strengthened our financial foundation by suppressing increases in net interest-bearing debt, steadily enhancing shareholders' equity, and consistently maintained a financial policy based on balancing three factors.

EPS / BPS



In order to achieve a high ROE, we place emphasis not on minimizing shareholders' equity (the denominator) but on sustained EPS growth through earnings growth as well as steady BPS growth, thereby striving to achieve both capital enhancement and highly efficient management.

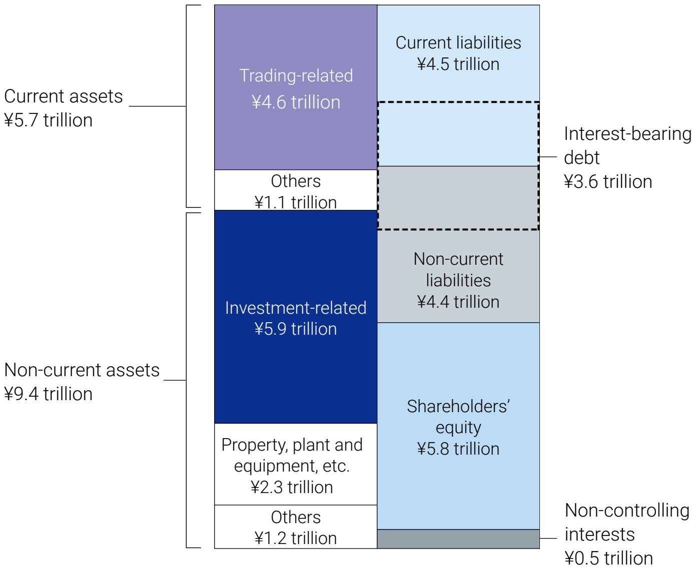
Trend of Shareholder Returns



We place priority on the continuous enhancement of shareholder returns. Along with improving core earning power, we have steadily increased dividend payments and, for 10 consecutive years, have flexibly and consistently repurchased shares, to further enhance shareholder returns.

We are maintaining our financial policy based on balancing three factors, achieving both continued high ROE through earnings growth and robust financial foundation.

Balance Sheet (End of March 2025)



Trading-related assets (Trade receivables, Inventories, etc.)
Mainly distributed in Food, Energy & Chemicals, etc.

Investment-related assets (Equity-method investments, Other investments, Goodwill and intangible assets)
Mainly distributed in Machinery, Others, The 8th, Metals & Minerals, etc.

Property, plant and equipment, etc.
Present in each Division Company, centering on The 8th.

Interest-bearing debt
Approximately 20% are short term and approximately 80% are long term. Approximately 70% is financed in yen.

Shareholders' equity ratio
38.0% represents a significant improvement from 20.1% at the end of March 2010.

Credit Rating Agency	March 31, 2010	All upgraded	March 31, 2025
JCR	A+ (Stable)		AA+ (Stable)
R&I	A (Stable)		AA (Stable)
Moody's	Baa1 (Stable)		A2 (Stable)
S&P	A– (Stable)		A (Stable)

FYE 2026 Management Plan

Profit Plan

Consolidated Net Profit
¥900 billion

ROE
Approx. 15%

Shareholder Returns

Total Payout Ratio
Aiming at **50**%

Dividends
The higher of **¥200** per share or **30**% dividend payout ratio

Share Buybacks
Approx. ¥170 billion

Growth Investments

Investment Amount
Max. ¥1 trillion

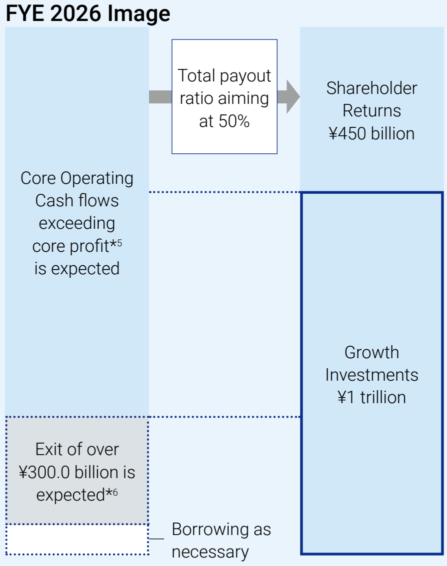
NET DER
Less than 0.6 times

Cash Allocation / NET DER

(Billions of yen)	BND 2020 Total*2	BND 2023 Total	FYE 2025
Core operating cash flows*1	1,691.0	2,484.0	920.0
Net investment cash flows (Proportion)*3	(1,065.0) (63%)	(960.0) (39%)	(576.0) (63%)
Shareholder returns (Proportion)*3	(528.9) (31%)	(818.9) (33%)	(435.4) (47%)
Core free cash flows after deducting shareholder returns	+97.0	+705.0	(91.0)
NET DER (Times)*4	0.78	0.51	0.51

*1 "Cash flows from operating activities" – "Changes in working capital" + "Repayment of lease liabilities, etc."
*2 BND 2020 includes the FYE 2021 management plan.
*3 The proportion of core operating cash flows.
*4 NET DER are the figures of the final fiscal year.
*5 FYE 2026 core profit plan: ¥770–¥850 billion
*6 Including a cash inflow of approximately ¥170 billion due to the sale of C.P. Pokphand shares and dividend. Realized a cash inflow of approximately ¥190 billion in the 1st quarter of FYE 2026. Tax payment of this transaction, totaling approximately ¥20 billion, is expected in FYE 2027.

FYE 2026 Image



Business Investment

Business Investment Process

We do not set predefined investment quotas or limits by sector before executing investments. The planning of business strategies and selection of acquisition targets are carried out by each highly independent Division Company, which is granted significant authority for decision-making at the front lines through a bottom-up approach. However, all investment projects exceeding a certain amount require approval from the headquarters, and Companywide leverage management and asset allocation are centrally controlled. In making investment decisions, we not only assess compliance with our investment criteria but also carefully consider our required levels of ROE and CAGR.

ITOCHU's Investment Criteria

(1) Investment efficiency based on the investee's Net Present Value (NPV)
NPV based on the free cash flow of the investee (Business plans of investment targets are carefully examined for feasibility, with stress testing applied as necessary)

(2) Investment efficiency based on the NPV of cash returns to ITOCHU
NPV of cash inflows to ITOCHU, including dividends received and trading profits

(3) Scale of profits at the investee

Discount rate (hurdle rate) to calculate NPV is **determined by industry (approximately 70 industries) x by country's** cost of equity / WACC*1, *2.
(Our cost of equity (8%) is also taken into consideration.)

*1 WACC: Weighted Average Cost of Capital
*2 Hurdle rate is reviewed annually based on market standards, considering the risk-free rate, market risk premium, and industry beta.

Characteristics of the Investment Execution Process

Headquarters
Centralized Management of Asset Allocation and Leverage
Risk Analysis and Efficiency Review from a Companywide Perspective

- Board of Directors
- HMC
- Investment Consultative Committee

All investment projects above a certain amount require approval from the headquarters

8 Division Companies
Deal Structuring through Bottom-Up Approach
Each Division Company independently formulates business strategies and identifies areas with high growth potential
(Areas with high growth potential of each Division Company: ☛ Pages 64–79)
Selection and Negotiation with Acquisition Targets

- Division Company President
- DMC
- Administrative Organization
- Applicants (Responsible Divisions)

Board of Directors
Of the projects approved by the HMC, projects of quantitative and qualitative significance must be approved by the Board of Directors.

HMC (Headquarters Management Committee)
Cases that have completed review and screening by the Investment Consultative Committee are further discussed.
The committee considers commercial significance, strategic importance, the need for further negotiations, and other aspects from a business perspective, to decide whether to execute the investment.

Investment Consultative Committee
The Investment Consultative Committee is chaired by the CXO and its core members are the CAO, the CFO, General Managers of the Corporate Planning & Administration, General Accounting Control, Legal, Finance, and Global Risk Management divisions. Meetings are also attended by one full-time Audit & Supervisory Board Member.
Headquarters' Administrative Divisions organize discussion points for each case based on high expertise, decide whether to proceed with the investment, and review contract terms and risk mitigation measures.

DMC (Division Company Management Committee)
In addition to the Applicants and the Division Company's Administrative Organizations, and Legal Division also participate in the review. Business investments below a certain amount and planning matters by the Group companies can be approved at the Division Company level.
A full-time Audit & Supervisory Board Member attends all DMC to monitor Division Companies and guarantee the integrity of decision-making.

Division Company's Administrative Organizations
Each Division Company has Administrative Organizations under the CFO line, such as the Accounting Division and the Risk Management & Administration Division.
The evaluation of employees in these organizations is determined independently from business divisions and finalized by the CFO of the headquarters.
Division Company's Administrative Organizations examine investment projects and provide advice and oversight to business divisions from a Companywide corporate value enhancement perspective, contributing to improving the quality of decision-making.

Structure to Increase Investment Success Rate

To improve the success rate of investments, it is important to proactively avoid unsuccessful investments. Lessons learned from past failure investments are summarized as "The Four Lessons for Investments" and are repeatedly shared in training on investment failure cases and Companywide management meetings to ensure that these lessons are thoroughly considered from the initial stages of investment review at the front lines. We also have accumulated extensive M&A expertise, which the Administrative Divisions independently compile into in-house training materials, and make them available Companywide to improve the success rate of business investments.

The Four Lessons for Investments (To Rigorously Prevent Below)

(1) Overpaying for investments	Make investments at a low price to minimize future risk of impairment loss
(2) Investments aimed at seizing profit from investees	Avoid shortsighted investments that only target current profit contributions
(3) Overdependence on and overconfidence in partners	Do not engage in projects where we must rely on partners or sales from the specific customers
(4) Fields with limited insight	Do not engage in projects where we have limited experience or expertise

Training Programs and Internal Contents Related to Business Investments

Theme	Preparation Department	Training Materials and Contents
(1) M&A Process	Global Risk Management Division	M&A Playbook (Outline and detail of M&A process, screening of business plan, Due Diligence (DD), valuation, contract, PMI*3 etc.)
(2) Case Study	Global Risk Management Division	Training on Investment Failure Cases and PMI Case Studies
(3) Legal	Legal Division	M&A Practice (MOU*4, LOI*5, Legal DD, Explanation of the main points of SPA*6 / SHA*7), Listed Stocks, Legal Regulations
(4) Accounting	Accounting Control Division	Accounting issues on M&A, Accounting discussion points that affect on business investments

*3 PMI: Post-Merger Integration *4 MOU: Memorandum of Understanding *5 LOI: Letter of Intent *6 SPA: Share Purchase Agreement *7 SHA: Shareholders Agreement

Main Items for Consideration at the Investment

Investment purpose Formulation of growth strategies	• Consider the significance of our business strategy, the unique value that our Company can provide, the availability of management resources and networks that can be utilized, and the conditions required to maximize added value, etc. • Formulate PMI plans that include initiatives to create synergies to increase the investee's corporate value, the assignment and roles of seconded employees, and support from the headquarters.
Verification of business plan appropriateness	• In addition to the business divisions, the Division Company's Administrative organizations are deeply involved from the DD phase, and analyze investment targets from multiple perspectives, including finance (including internal control status), tax, legal, HR, and IT. • Thoroughly monitor the likelihood of each premise for the business plan and anticipated synergies of the investment target, and consider the appropriateness of the transaction price and contract terms.
Formulation of risk scenarios Consideration of countermeasures	• Analyze various risks to the achievement of business plans, such as macroenvironment and industry trends, country risk, partner risk, compliance, financing, and securing key personnel, and thoroughly formulate countermeasures and incorporate them into acquisition conditions. • Formulate stress scenarios, conduct sensitivity analysis, and conduct preliminary verifications of impairment risks, and make investment decisions based on the validity of investment plans and maximum risks.
Screening ESG risks	• Assess in advance the environmental and social impact, as well as the corporate governance status of the investment target using an ESG checklist composed of 30 items. • Conduct multifaceted ESG assessments even after making the investments, including on-site surveys, to prevent environmental pollution and other problems among Group companies.
Verification of internal control status	• Review the internal control status of the investment target from the DD stage. Identify in advance areas where improvement is needed or concerns exist, and prepare measures to be taken and improvements to be made during PMI.
Setting exit conditions Ensuring effective exit procedures	• Quantitatively set conditions for exiting the business in principle, if breached. • Secure prior agreement from partners and counterparties regarding effective exit procedures in the event that exit conditions are triggered.

Monitoring (Analysis of key management indicators, periodic review for business investment)

In order to maintain our characteristic high-efficiency management, it is essential not only to execute highly accurate investments but also to rigorously monitor the portfolio including promoting exits from low-efficiency assets and continuous improvement of asset efficiency.

We conduct periodic review for business investment covering all business investees once a year, in which we reassess our action policies from both qualitative perspectives (such as strategic significance) and quantitative perspectives (such as profit scale and investment efficiency). In this review, we formulate improvement measures for Group companies that are operating at a loss or have issues with dividend cash-in, and we monitor the progress of these measures throughout the year. In parallel, we also conduct analysis of key management indicators by Division Company to evaluate the asset efficiency of each segment and the growth potential of key businesses, and, based on these findings, consider measures for improvement as well as capital policies that take into account Companywide efficiency.

The contents of these monitoring activities are discussed at each Division Company's DMC*[1] and reported to the ALM*[2] Committee, promoting more effective measures. If a Division Company is continuing to hold a low-efficiency business that meets exit criteria, HMC*[3] approval is also required.

*1 DMC: Division Company Management Committee   *2 ALM: Asset Liability Management   *3 HMC: Headquarters Management Committee

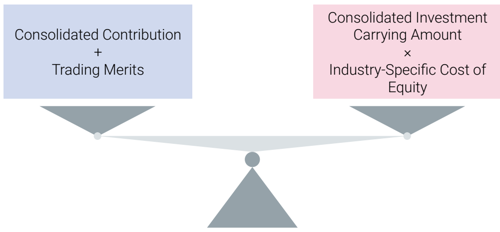
Periodic Review for Business Investment

Exit Criteria for Business Investment

(1) Cumulative deficit for three years

(2) Returns lower than original plans made at the time of investment

(3) Cumulative deficit in added value for three years
[Consolidated contribution*[4] – (Consolidated investment carrying amount x Cost of equity*[5])]



*4 Consolidated contribution: The sum of profit and loss contribution and trade benefits
*5 Cost of equity: Set according to industry (approximately 70) and country

Decision-Making Process

DMC: After verifying the appropriateness of improvement plans for low-efficiency business investments that meet exit criteria for business investment, the significance of holding respective business investments is carefully analyzed in the context of the Division Company's strategies, and a decision on holding policy is made by the Division Company's President.

↓

HMC: HMC approval is required if a Division Company's policy is to continue holding a business investment that meets exit criteria for business investment. In conducting HMC deliberations, the ALM Committee*[6] conducts prior deliberations on the appropriateness of the Division Company's retention policy and the possibility of exit implementation.

*6 ALM Committee: (Chair) CFO, (Core members) General Managers of the Corporate Planning & Administration, General Accounting Control, Finance, and Global Risk Management divisions. One full-time Audit & Supervisory Board Member also attends.

Progress Follow-Up

Business Investments to Be Exited	Business Investments to Be Held Continuously
Monitor the progress of exits and each Division Company reports its progress to the CFO on a monthly basis.	Implement improvement measures, check the progress of the improvement plans at the next fiscal year's periodic review for business investment, and rescreen holding policy.

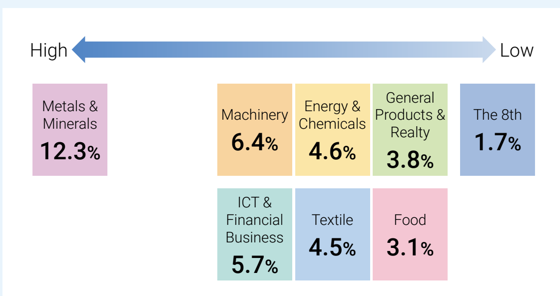
Analysis of Key Management Indicators:

Main Analysis and Report Contents

- Analysis of asset efficiency (ROA, etc.) by segment according to the characteristics of each Division Company, and analysis of operating cash flow
- Measures in response to changes in the business environment (manifestation of geopolitical risks, rising resource and raw material prices, rising interest rates and prices, etc.)
- Issues and solutions for low-profit trades and inefficient business domains
- Initiatives to improve profitability and growth rates at major Group companies, and measures to enhance asset efficiency (such as ROA and CCC*[7])

*7 CCC: Cash Conversion Cycle

ROA by Segment (FYE 2025 results, ROA on core profit)

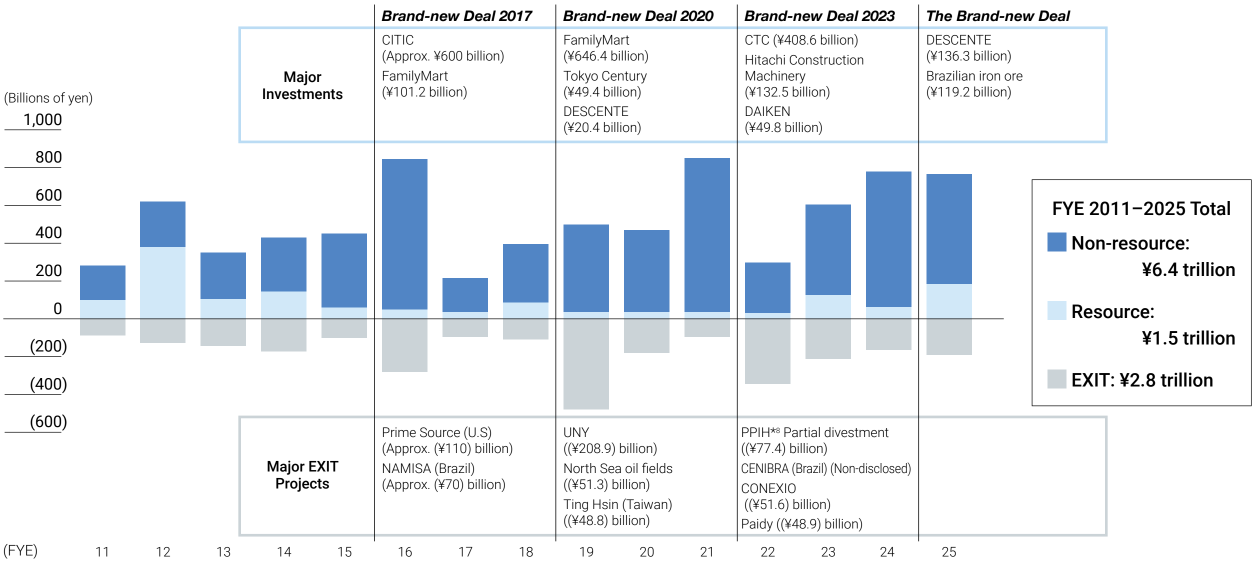


Asset Allocation Trajectory

We have continuously carried out growth investments and asset replacements based on multifaceted monitoring, thereby transforming our portfolio over the long term while improving asset efficiency. By advancing asset allocation with a focus on non-resource businesses, where we have competitive strengths, and securing a certain level of ROI, we have increased the proportion of non-resource businesses in our portfolio and improved ROA over the long term. In recent years, within the non-resource sector, we have also increased the amount of assets allocated to downstream areas, exemplified by the privatization of FamilyMart. We will continue to adapt to changes in the external environment and customer needs, aiming to build a robust portfolio that is highly resilient to economic fluctuations and supports highly efficient management.

POINT 1 Accelerate investment in non-resource areas and continuously implement asset replacements

Investment and Exit Track Record Since FYE 2011



*8 PPIH: Pan Pacific International Holdings Corporation

POINT 2 ROI track record in non-resource sector

ROI of New Investments in Non-Resource Sector Since FYE 2016 (Excluding CAPEX)

FYE 2025 profits from investees
Approx. ¥200 billion*9

÷

Investment amount in Non-Resource
BND 2017–BND 2023 Total
¥2,385 billion*10

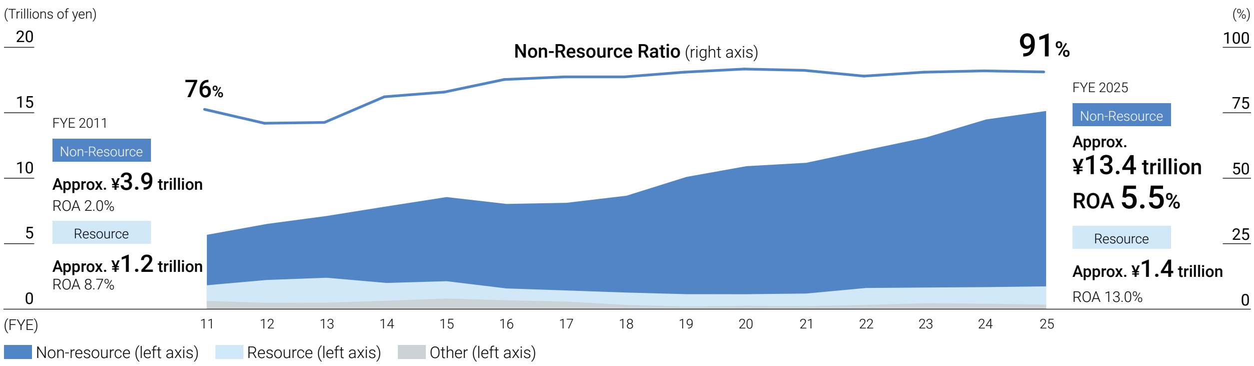
=

ROI 8.4%

*9 For additional acquisitions in existing businesses, only the profits corresponding to the additional investment are included.
*10 Aggregated investment projects in the non-resource sector over ¥5.0 billion, excluding CAPEX.

POINT 3 Asset allocation continues to shift toward non-resource sector, with significant improvement in ROA

Total Assets Trend Since FYE 2011



Risk Management

The ITOCHU Group operates a wide range of businesses and, as a result, faces various risks in the market, such as credit risk and investment risk, as well as other complex risks. These risks include uncertainties that are difficult to predict and could have a significant impact on the Group's financial condition and business performance in the future. Recognizing that risk management is an important management issue, our Group has set basic policies for risk management, established appropriate risk management systems and methods, and takes necessary actions to deal with such risks.

Risk Factors	
(1) Risks Associated with Macroeconomic Factors and Business Model	
(2) Market Risk	
a) Foreign Exchange Rate Risk	
b) Interest Rate Risk	
c) Commodity Price Risk	
d) Stock Price Risk	
(3) Investment Risk	(☛ Pages 34–36)
(4) Risks Associated with Impairment Loss on Fixed Assets	
(5) Credit Risk	

Risk Factors	
(6) Country Risk	
(7) Risks Associated with Fund-raising	(☛ Page 32)
(8) Risks Associated with Taxes	
(9) Risks Associated with Significant Lawsuits	
(10) Risks Associated with Laws and Regulations	
(11) Risks Associated with Human Resources	(☛ Page 44)
(12) Risks Associated with the Environment and Society	(☛ Page 48)
(13) Risks Associated with Natural Disasters	
(14) Risks Associated with Information Systems and Information Security	

(☛ Pages 64–79 Business Portfolio, opportunities and risks based on key macroenvironmental factors)

For details, please refer to the "Business Risks" section of the Financial Information Report.
https://www.itochu.co.jp/en/files/FIR2025E.pdf

For details on our risk management policies, framework, and initiatives, please refer to ITOCHU's website.
https://www.itochu.co.jp/en/csr/governance/risk_management/

Country Risk

The ITOCHU Group is exposed to country risk, which may arise from unexpected events related to the political, economic, or social conditions in the countries and regions where we conduct commodity transactions and business activities. Such risks include, for example, the state expropriation of owned assets or suspension of remittances at our business investees, which can result from changes in various laws and regulations. To address these risks, we take appropriate risk mitigation measures for each individual project. In addition, the Group sets country exposure limits based on internal country ratings and manages our total exposure to each country within limits that are appropriate for the Group's overall financial strength, thereby striving to control country risk.

For major country-specific balances of investments, loans and guarantees as of March 31, 2025, please refer to ITOCHU's website.
https://www.itochu.co.jp/en/ir/financial_statements/2025/

China-Related Business

Status of Exposure to China

As of March 31, 2025, our Group's exposure to China amounted to ¥1,732.3 billion. In addition to investment in CITIC, which is a significant portion of this, our exposure increased in FYE 2025 due to the privatization of DESCENTE LTD., which led to a rise in investment exposure related to its business operations in China.

Major China-Related Businesses (CITIC, Western Australia Iron Ore Business, and Others)

Our Group's profits from China-related businesses are comprised of three main components: contributions from CITIC, iron ore trading to China, and other trading and business investments. Profits from iron ore trading to China have continued since the 1960s and are generated primarily by our iron ore business in Western Australia, which enjoys a significant cost advantage on a global scale. In this business, we closely monitor the Chinese government's economic stimulus measures, the real estate market, consumer spending, and overall economic conditions in China, while carefully managing the supply-demand balance for iron ore, in order to mitigate risks. Other trading and business investments focus primarily on consumer sectors within China, including textiles and chemicals. Excluding the solid profit contributions expected from CITIC and iron ore trading to China, the impact of other China-related businesses on our overall consolidated net profit is limited.

CITIC Tower, standing tall in the center of Beijing

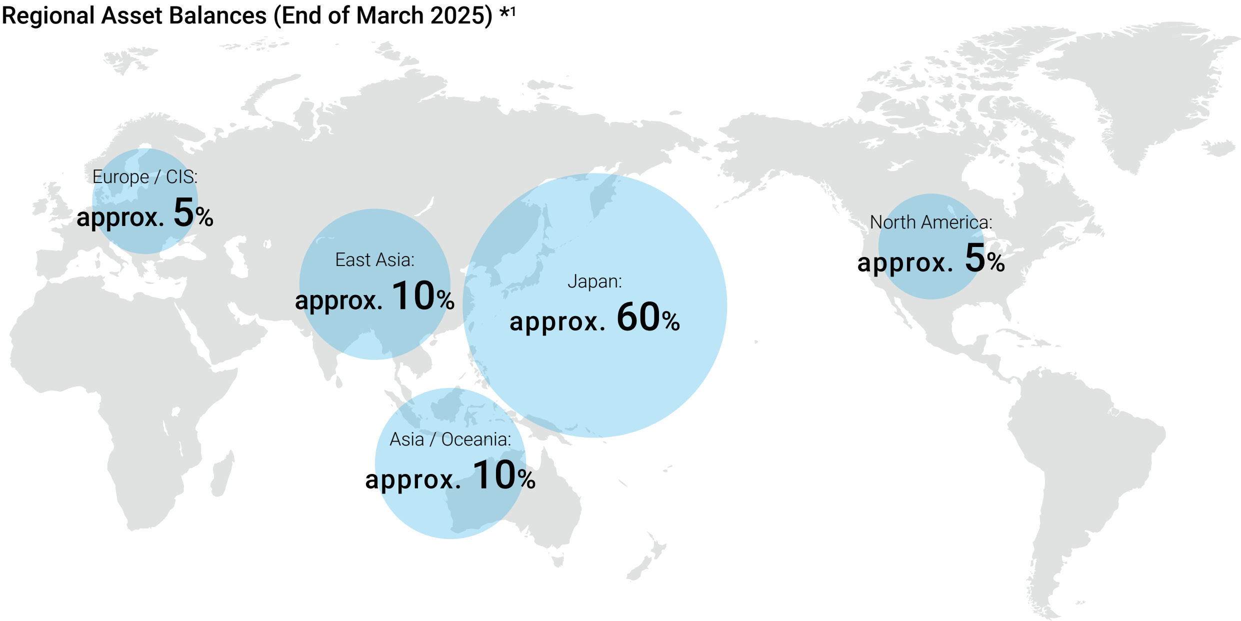
CITIC's Performance

The performance of CITIC, a Chinese state-owned conglomerate, has remained steady, primarily driven by CITIC Bank, under the Chinese government's policy of strengthening state-owned enterprises. The financial services sector, which is CITIC's core business, contributes approximately 90% of CITIC's overall profits. Within this sector, CITIC Bank has been a key contributor, achieving 10 consecutive years of profit growth since our investment in CITIC in FYE 2016. Even amid prolonged downturn in China's real estate market, the non-performing loan ratio has steadily improved, reflecting effective risk management leveraging CITIC's relationship with the Chinese government. In our consolidated financial closing process, we assess the recoverable amount of our investment in CITIC every quarter, considering the stock price level of CITIC, and confirm that it exceeds the book value. When estimating future cash flows, we also consider the profitability based on the growth outlook of the Chinese economy and the impact of regulations on the Chinese financial sector.

Regional Composition of Assets and Profit / Loss

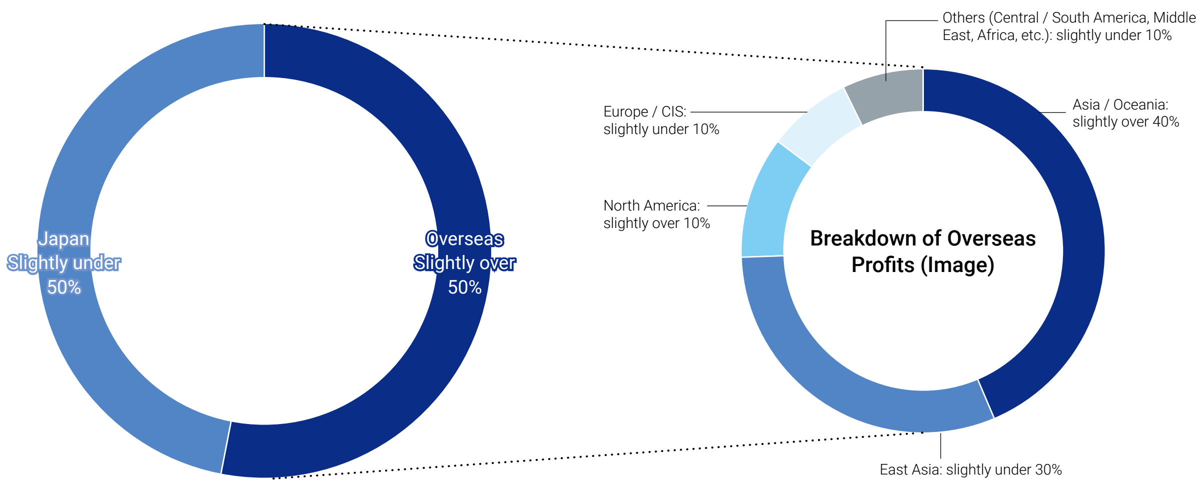
In terms of the regional composition of our Group's assets, approximately 60% are located in Japan, accounting for the majority of our asset base. Our overseas assets are well balanced and diversified across different regions, resulting in a structure that is less susceptible to economic fluctuations in any single country. In Japan, we own many high-quality assets that support our strong business base, especially in the consumer sector, where we have strengths. Overseas, we own several efficient assets, such as our IMEA (Australia) operation in the metals and mineral resources business.

Regional Asset Balances (End of March 2025) *1



*1 Our total assets and the consolidated book value of our subsidiaries and affiliates are calculated based on their actual locations, and the asset balances in major regions are shown in units of 5%. Therefore, the calculation method differs from the disclosed investment, loan and guarantee balance by major country, which is calculated based on the destination country of the investment, loan and guarantee amount, and the trade receivable amount.

Profit and Loss by Region (Core profit, average for the past three years)*2



*2 Profits from China-related businesses listed on page 38 include iron ore transactions for China in Asia and Oceania.

CAO INTERVIEW

Our goal is to be a sustainable company, and the best company in Japan. Our approach is to embody our Company's founding spirit of "*Sampo-yoshi,*" which is now attracting global attention, by accumulating trust and credibility to enhance our corporate brand value.

Fumihiko Kobayashi
Member of the Board, Executive Vice President, CAO*

* Chief Administrative Officer

QUESTION 1

One year has passed since the announcement of the Management Policy "The Brand-new Deal." How do you reflect on this past year?

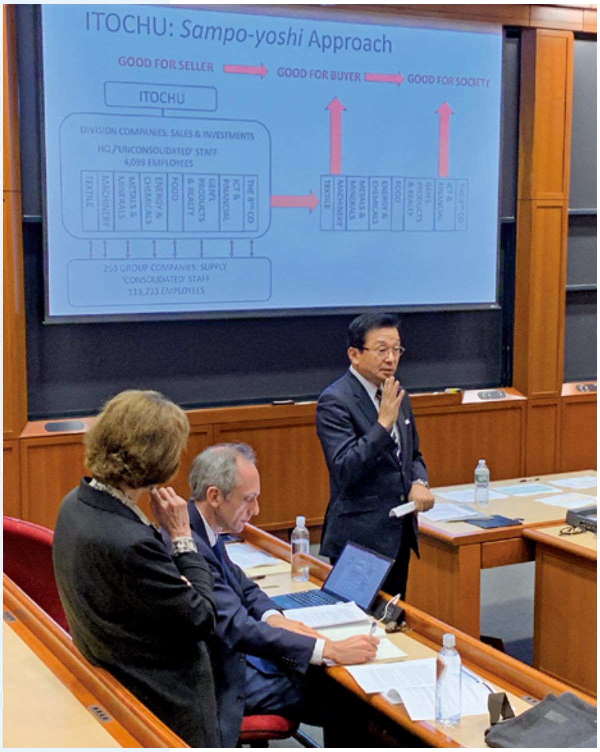
ANSWER 1

In our Integrated Report 2024, I described our goal for ITOCHU to be seen as the best company in Japan by enhancing our corporate brand value through the philosophy of "*Sampo-yoshi*" (good for the seller, good for the buyer, and good for society). Over the past year, we have achieved a major milestone toward this goal. Professor Sandra Sucher, an expert in the research of building trusted corporations at Harvard Business School, took note of our corporate mission, "*Sampo-yoshi*," and its role in achieving trust and sustainability at ITOCHU, selecting it as the subject for a case study. It has now been published as an official Harvard Business School case. This case from one of the world's top business schools provides an academic analysis of the relationship between our initiatives grounded in "*Sampo-yoshi*" and enhanced corporate value and sustainability. Globally, there are many companies with long histories, but around half of the world's companies that are over 100 years old are Japanese. Despite Japan's frequent natural disasters—earthquakes, typhoons, floods—and periods of national devastation, many Japanese companies have managed to sustain their businesses over generations. In an increasingly uncertain economic environment, there is renewed global interest in the longevity and resilience of Japanese companies. I am delighted that our founding spirit of "*Sampo-yoshi*" is gaining international attention in this context. One of the pillars of our Management Policy, enhancing corporate brand value, is not limited to raising our profile in Japan but also aims to strengthen our global presence.

Professor Sucher's focus on our corporate mission of "*Sampo-yoshi*" stemmed from her research into the post-COVID-19 recovery of Japanese companies. During the preparation of the case study, she visited ITOCHU, engaged in dialogue with Chairman & CEO Okafuji, and received firsthand explanations from employees of each Division Company about our business initiatives, which provided a clear picture of how "*Sampo-yoshi*" has shaped our corporate value for more than 160 years. I also had the opportunity to join a session of the Harvard Business School course Building Trusted Organizations to share some insights on the complexities of managing a general trading company and our consistent, trust-building process rooted in "*Sampo-yoshi*." Although there are various theories about the origins of the "*Sampo-yoshi*" phrase, the first documented instance of it being introduced in the context of "good for the seller, good for the buyer, and

Aiming to deliver the "*Sampo-yoshi*" philosophy more globally, we produced a collaborative video with Bloomberg.

https://sponsored.bloomberg.com/article/itochu/the-japanese-secret-to-business-longevity good for society" was as a description of the business philosophy of our founder, Chubei Itoh I. While "*Sampo-yoshi*" is now our corporate mission, it was only relatively recently formally adopted in April 2020. When we officially established "*Sampo-yoshi*" as our corporate mission, we did not hold any employee briefings or distribute explanatory materials. Rather, we simply formalized a way of thinking that had already been deeply rooted and passed down among our employees. I believe it was accepted naturally throughout our Company. In essence, "*Sampo-yoshi*" functions as the "core operating system (OS)" of ITOCHU, installed at our founding. Initiatives such as our Morning-Focused Working System and other unique work-style reforms are best understood as "business applications" tailored to the needs of each era and situation, fully leveraging the compatibility and effectiveness of our core OS. The growing global spotlight on "*Sampo-yoshi*," as seen in the Harvard Business School case, reinforces my belief that this philosophy is deeply aligned with modern concepts of sustainability. It is true that following the inauguration of President Trump in the United States, there has been some pushback against the emphasis on sustainability and ESG. In fact, there have been reports that outflows from ESG investments have exceeded inflows, and the number of ESG funds is also declining. Regardless



Giving a presentation at Harvard Business School

of the times, securing short-term profits is of course important for any company. However, companies that focus only on the short-term and disregard mid- to long-term profits, or in other words corporate sustainability, will not survive in the end. It may be a matter of differing views on the appropriate timeframe to consider. As a company with "*Sampo-yoshi*" as its core OS, we will not be simply swayed by changing trends. We will continue to steadily advance our front-line initiatives as outlined in our Sustainability Action Plans, ensuring that sustainability is realized through our core business.
(☛ Page 48 Initiatives to Promote Sustainability)

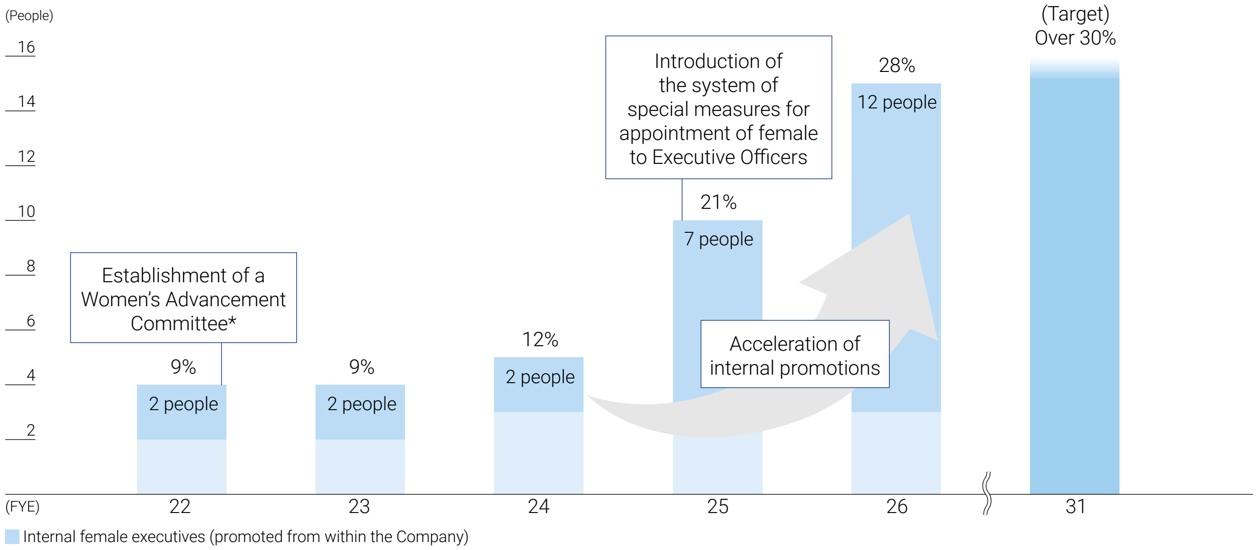
QUESTION 2

ITOCHU introduced special measures for the appointment of female Executive Officers starting in FYE 2025. What are the background and impact of this initiative?

ANSWER 2

We have set a quantitative target to increase the ratio of female officers (including Executive Officers) to 30% or more by 2030. To achieve this goal, we have introduced special measures to appoint a certain number of female Executive Officers, providing them with special opportunities to gain experience in Companywide management. In FYE 2025, five women were appointed, and another five were appointed in FYE 2026, raising the current ratio of female Executive Officers to 28%. In addition, some of the appointees are junior managers, underscoring the uniqueness of this system both in overall balance at the Company and relative to our industry peers. Since the introduction of this system, we have received a wide range of feedback both internally and externally, including some critical opinions. This system would not have been possible if we had continued to rely solely on the implicit criteria for executive selection that existed in our Company in the past—such as having already achieved certain results as the head of a large organization or having adapted to all types of work environments. However, considering our workforce demographics, many of our female career-track employees are still in their 20s and 30s. If we simply wait for them to gain experience and naturally move up to Executive Officer positions, it could take more than 10 years. Faced with this reality, we felt a strong sense of urgency that we cannot afford to wait that long, and immediate action was required. As a company with a strong consumer-related business and a competitive edge in the consumer sector, the perspective of female leaders is extremely valuable.

Number and Ratio of Female Executives among all Executive Officers



* An Advisory Committee of the Board of Directors chaired by an Outside Director

As a means of addressing this issue, we placed a strong emphasis on internal promotions. If our sole objective was to increase the ratio of female officers, external hires would be a simple solution. While the mobility of talent in society is increasing and external hiring is becoming easier, our Women's Advancement Committee, including Outside Directors, has repeatedly debated the pros and cons of external appointments. Yet, within our Company, there are many highly capable female career-track employees in their 20s and 30s who perform at the same level as their male counterparts. Given time, they have the potential to become Executive Officers, regardless of gender. Premature external hiring could demotivate these employees and undermine our ability to continuously develop internal talent. We must avoid this. These special measures are thus meant to bridge the "time lag." The women selected as Executive Officers are individually supported by myself and members of the Women's Advancement Committee, including Outside Directors; however, we do not provide any special management training. By being appointed as Executive Officers, these talented employees naturally gain access to Companywide management information, which expands their perspectives and deepens their insight. If they become aware of knowledge gaps, they can proactively consider what is needed and seek out the training or study required, with the Company providing support as necessary. Through this process, more opportunities are created for female employees, and the presence of women in core management roles helps to instill more diverse perspectives into our corporate culture. I believe this will foster an environment where women can naturally thrive and have a positive impact on the next generation as well. And eventually, the special measures will no longer be necessary. (☛ Page 86 Women's Advancement Committee)

QUESTION 3

What challenges do you perceive in aiming to become the best company in Japan?

ANSWER 3

In our Management Policy, "The Brand-new Deal," announced in April 2024, we committed to enhancing corporate brand value. For our Company, which does not come from the same historical backing as general trading companies associated with the former *zaibatsu* (family-owned financial conglomerates), building and strengthening the ITOCHU brand in society is critically important. We are fortunate to have received increasingly high evaluations from various external stakeholders, and as I mentioned, our founding spirit of "*Sampo-yoshi*" is steadily gaining global recognition. However, no matter how excellent the core OS is or how many diverse business applications we have, it is ultimately up to each individual employee to bring them to life. Therefore, it is critically important that all employees share the same management philosophy and move forward together in the same direction. In recent years, employee engagement has been attracting increasing attention. At our Company as well, we follow up on the results, promptly identify issues, and undertake the necessary response. One thing I am always mindful of is the distance between top management and the front lines. Even amid an uncertain business environment, we have continued to achieve record-high profits, and as we aim for a new milestone of ¥1 trillion in consolidated net profit, our Company is now at a critical stage of management. In addition, the speed of our business development is accelerating, and it is essential for the entire Company to act promptly as one team. It is precisely in times like these that the ability of top management to communicate with front-line employees becomes especially important. Recently, Chairman & CEO Okafuji and our labor union met for the first time in about 10 years at our labor–management meeting, enabling top management to directly hear the voices of employees and in turn enabling top management to communicate its vision to the front lines. As organizations grow, messages can become distorted in transmission, and at those times direct and candid dialogue is necessary. We have fewer employees than other general trading companies, making our organization lean. If employees act with a strong sense of unity and operate even more efficiently and flexibly, it will be a tremendous advantage for us. I will continue to pay close attention to the sentiments of our front-line employees and further enhance communication with top management. (☛ Page 44 Human Resource Strategy)

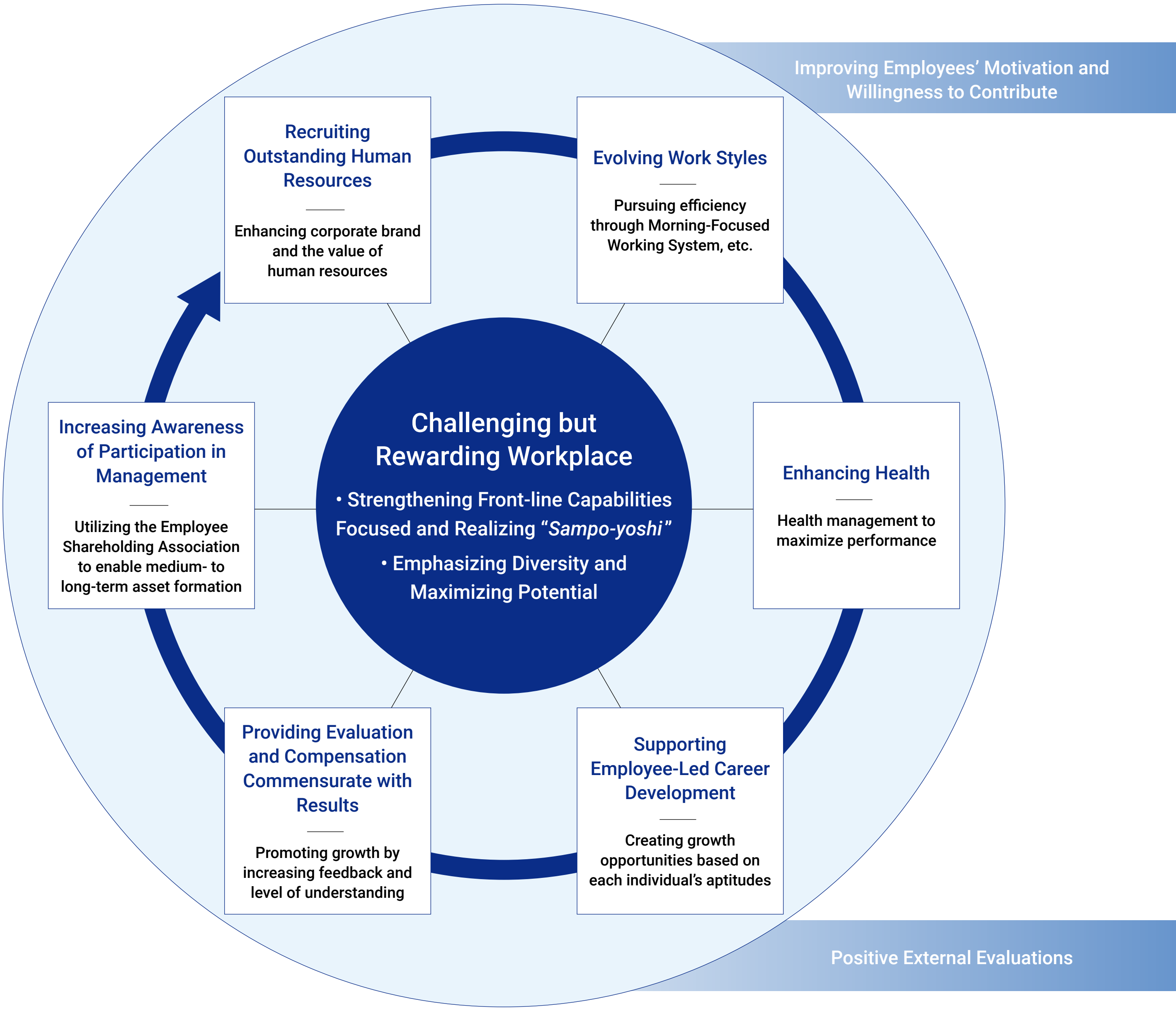
We have a history spanning more than 160 years, and we intend to continue being a company trusted by all stakeholders under the "*Sampo-yoshi*" philosophy. I hope that "*Sampo-yoshi*" will become a globally recognized term, much like TOYOTA's "Kaizen" (continuous improvement). Of course, we are not attempting to proclaim that "*Sampo-yoshi*" is uniquely limited to ITOCHU; rather, we hope that "*Sampo-yoshi*" will naturally spread throughout the world, and that people will come to realize that it actually originated from ITOCHU's founding spirit, raising awareness of ITOCHU as well. According to Shiga University Professor Emeritus Hideki Usami, a scholar who has researched the Ohmi merchants for many years, when looking at the historical lists ranking the merchants of Ohmi, the highest accolades were apparently not necessarily given to merchant families that generated the greatest profits, but rather to those with a long history of business continuity across multiple generations. Merchants who were unable to sustain their businesses over time were not highly regarded. Regardless of changes in trading methods, merchandise handled, or the shape of society, the merchant families whose family mottoes and store rule (*tanaho*) passed down a spirit of "*Sampo-yoshi*," thrift and frugal, and a spirit of building trust across generations were able to develop sustainably in their communities, steadily building on their forebearers' credibility. As ITOCHU, which is close to the consumer sector, social trust is directly linked to our business success. Ultimately, the true value of a merchant lies in sustainability based on trust and credibility. My mission as CAO is to perform careful maintenance on our core OS, "*Sampo-yoshi*," to continuously upgrade our individual business applications to reflect the changing times, and to sustainably increase a sense of unity among employees while aligning with our core OS. By steadily building trust and credibility with society, including our employees, we will continue to embody the spirit of "*Sampo-yoshi*" and seek to be the best company in Japan.






Human Resource Strategy

Under our corporate mission of "*Sampo-yoshi*," with a clearly identified human resource strategy as a key component of our management strategy, we aim to become a company that is challenging but rewarding to work for, and to ensure all employees find their work rewarding and fully utilize their abilities. By achieving this, we aim to enhance not only employee motivation and labor productivity but also our social reputation, ultimately enhancing our brand value, thereby further enhancing our corporate value and pursue becoming the best company in Japan. In addition, the enhancement of our brand value creates a virtuous cycle enabling us to recruit outstanding talent, which serves as the source of the Company's strength.

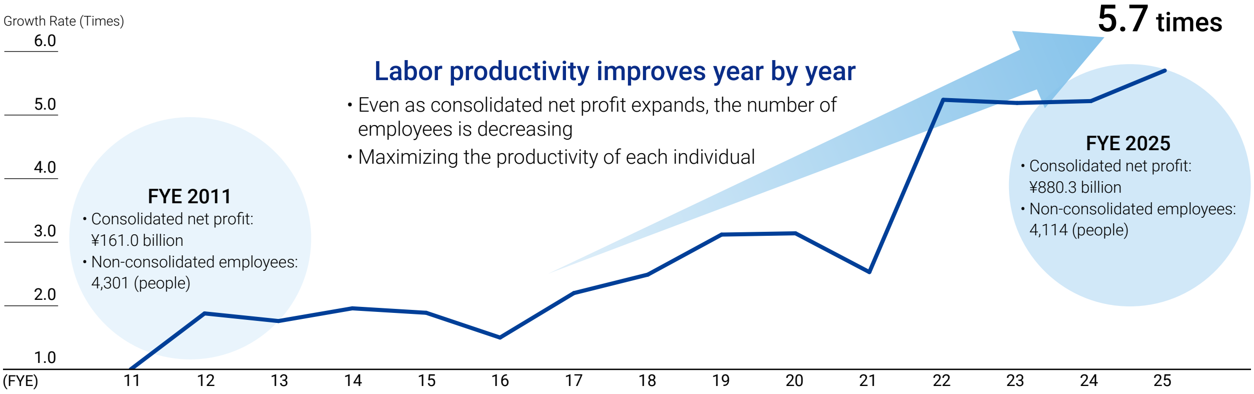


For details on work-style reforms, please refer to ITOCHU's website. We provide an introduction to our unique work-style reforms, including the objectives and outcomes of various initiatives, as well as the stories behind their implementation.

https://www.itochu.co.jp/en/about/work_style/files/itochu_work_style_en.pdf

Enhancement of Corporate Value through Improved Labor Productivity

Labor Productivity



* Shows the change in labor productivity with 1 as FYE 2011 (consolidated net profit / number of non-consolidated employees)

Pioneering and Unique Initiatives

FYE 2011	• In-house childcare facility "I-Kids" established (January 2010) • Work-style reforms started
FYE 2014	• Morning-Focused Working System introduced
FYE 2017	• ITOCHU Health Charter established • Work from home system introduced for the employees with childcare and nursing care
FYE 2018	• Support for Balancing Cancer Care and Work started
FYE 2022	• Women's Advancement Committee established • Support for employees hoping to return to work early after child birth decided
FYE 2023	• Morning-Focused Flextime System introduced • Work from home system introduced for all employees • Allowance for balancing work and childrearing introduced (the support for early return to work after child birth)
FYE 2024	• Virtual Office officially introduced • Strengthening femtech initiatives (infertility treatments, etc.) • Sleep-related project launched • Workplace after-school program started
FYE 2025	• System of special measures for appointment of women to Executive Officers introduced • Making childcare leave acquisition "mandatory" for male employees

Enhancement of Corporate Brand Value

(1) Positive External Evaluations

Company rankings by jobseekers
"No. 1 in all industries"
in 6 of the 7 major media outlets
"No. 1 in trading companies"
in all 7 major media outlets

Ministry of Economy, Trade and Industry × Tokyo Stock Exchange

2025 健康経営銘柄 / 共働き 共育て Work Style Diversity 2025

Tokyo Women's Empowerment Promotion Award

Business sector
Excellence Award

東京で輝く、自分らしく。

(2) Increasing Attention from Outside the Company

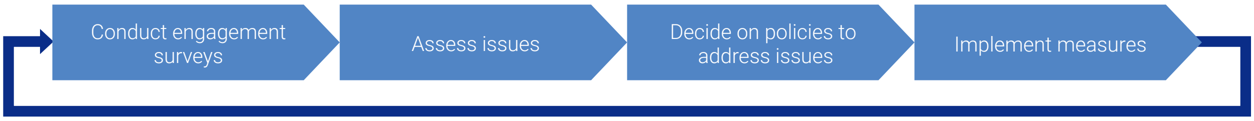
The work-style reforms initiative to improve labor productivity, which we have been promoting since 2010, has attracted significant public attention and we have welcomed visits from many government officials, including those from the Ministry of Economy, Trade and Industry, the Ministry of Health, Labour and Welfare, and the Children and Families Agency.

Moreover, our efforts have been recognized not only in Japan but also overseas, with delegations from the Korean and Chinese governments, among others, coming to observe our initiatives.

In particular, in South Korea, where the declining birthrate and aging population have become serious social issues, our example of introducing early morning work hours and subsequently seeing an increase in the birthrate has been dubbed "The Miracle of ITOCHU" and reported widely in the media. In July 2024, government officials from South Korea visited ITOCHU to observe the current state of the morning focused working system. Additionally, in October of the same year, at a forum hosted by JTBC, a media group affiliated with the JoongAng Ilbo, focusing on the issue of declining birthrates and aging society, CAO Kobayashi delivered a keynote address as a representative of overseas companies, which was also covered by Korean media.

Engagement Surveys and the PDCA Cycle to Further Enhancement of Corporate Value

We conduct an engagement survey every year to promptly identify issues and have established a PDCA cycle for continuous improvement. Recent surveys have highlighted challenges such as fostering job satisfaction among junior and mid-career employees, sharing personnel and ideas beyond the boundaries of organizations, and responding to diverse values. These issues are actively discussed at the Management Meeting, and we continuously implement concrete initiatives to address them. As a result, we have confirmed improvements in the related survey indicators. We will continue to advance initiatives in close collaboration between management and front-line employees to realize a company that is a challenging but rewarding workplace. Our aim is to foster a culture in which employees take pride in working at ITOCHU, are highly motivated to contribute, and proactively deliver results that exceed expectations.
(☛ Page 40 CAO Interview)



Recent Engagement Survey

(FYE)	2023	2024	2025
Engagement Score	67%	68%	68%

Issue 1
Fostering job satisfaction among junior and mid-career employees

Issue 2
Sharing personnel and ideas beyond the boundaries of organizations

Issue 3
Responding to diverse values

Specific Examples of Key Initiatives

Revised Personnel System for More Effective Evaluation and Compensation

Issue 1 Response

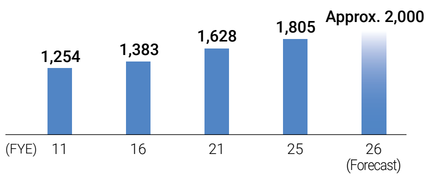
In FYE 2025, we implemented our first major revision of the human resource system in approximately a decade. This included raising salary levels, particularly for young and mid-career employees, and introducing measures to enable the early appointment of outstanding employees as Executive Officers of Group companies. Furthermore, from FYE 2026, we are enhancing differentiation in compensation by setting annual salary levels of up to ¥35 million for manager-level employees and ¥40 million for general manager-level employees in cases of exceptional performance. We have also revised our stock compensation plan, doubling the standard grant amount and awarding additional shares upon promotion. As a result, these changes are expected to increase employee's annual income by approximately 10% year on year.

Degree of Variation in Annual Salary
Manager Level
(High performance VS. Average)
1.3 times

Recognized issues

- Fostering job satisfaction among junior and mid-career employees
- Seniority-based promotion management reduces the contribution and motivation of young and mid-level employees
- Strengthening competitiveness in recruiting

Increase in average salary (unit: ¥10,000)



Women's Advancement in the Workforce to Increase Diversity within the Organization

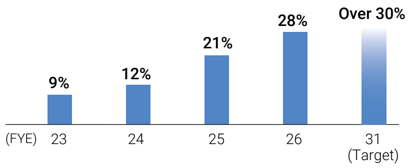
Issue 3 Response

As a trading company with strengths in the consumer-related business, we aim to capture the diversifying needs of consumers and evolve our business model accordingly. To create an environment where women can continue working without giving up on their careers, we provide detailed individual support to remove barriers to career development, taking into consideration life events, etc. In FYE 2025, we will integrate the women's dormitories, and promote communication across age and departments as a place for internal networking and human resource development. In response to significant changes in the administrative environment driven by DX initiatives and the advancement of internal controls, we have redefined "clerical staff" and renamed them as "Business Experts (BX)." BX are tasked with playing a central role as an Organizational Hub by leveraging advanced expertise.

Recognized issues

- Fostering job satisfaction among junior and mid-career employees
- Responding to diverse values, such as an increase in dual-income households
- Reassessing the uniform career model
- Strengthening competitiveness in recruiting

Female Executive Officer ratio



We are steadily addressing issues identified through engagement surveys, thereby further strengthening our human capital.

Support for Balancing Work and Childcare Issue 1 3 Response

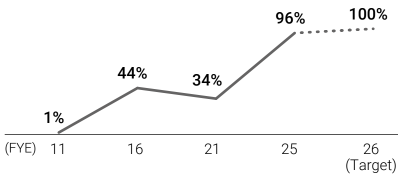
In 2010, we established an in-house childcare facility. In FYE 2023, we began providing childcare and work-life balance allowances*1 to employees, regardless of gender, who return to work from childcare leave within one year as a system to support employees who wish to return to work early after giving birth, regardless of the timing of their child's enrollment in nursery school. In FYE 2024, we started workplace after-school care, and from April 2024, we made it "mandatory" for men to take childcare leave, thereby strengthening our support. In FYE 2025, the rate of male employees taking childcare leave increased to 96%. Furthermore, compared to FYE 2022—prior to the introduction of the support allowance—the number of male employees taking childcare leave for four weeks or more has increased approximately sixfold.

*1 This allowance is provided to cover additional expenses (such as childcare costs) incurred when balancing work and childcare, for employees who take four weeks or more of childcare leave and return to work before their child turns one year old.

Recognized issues

- Fostering job satisfaction among junior and mid-career employees
- Responding to diverse values, such as an increase in dual-income households
- Strengthening competitiveness in recruiting

Childcare leave acquisition rate of male employees



Investing in Human Resource Development to Support Proactive Career Development Issue 1 Response

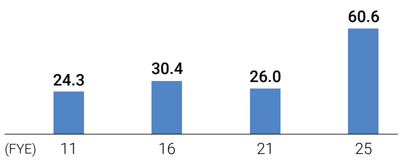
Since FYE 2000, we have positioned human resource development expenses as "human capital investment" for the sustainable improvement of corporate value. To foster "next-generation merchants" who can respond to changes in the social environment and increasingly diverse customer needs, we support employee growth through on-the-job experience and training, based on regular career reviews.

	Content	Investment Amount for FYE 2025
Global management talent development	Recruiting talented overseas employees, dispatching headquarters' employees overseas, various training programs for developing managers, etc.	¥1.6 billion
Passing on The ITOCHU Way	Visit to the founding site / ITOCHU MBA (unique MBA training), etc.	¥0.5 billion
Support for "Continue Learning"	More than 13,000 training options / DX programs for different levels of mastery / Generative AI e-learning, etc.	¥0.3 billion

Recognized issues

- Fostering job satisfaction among junior and mid-career employees
- Responding to diverse values, such as an increase in dual-income households
- Strengthening competitiveness in recruiting

Investment in human resource development per employee (unit: ¥10,000)



Virtual Office (In-House Dual Jobs System) Issue 1 2 Response

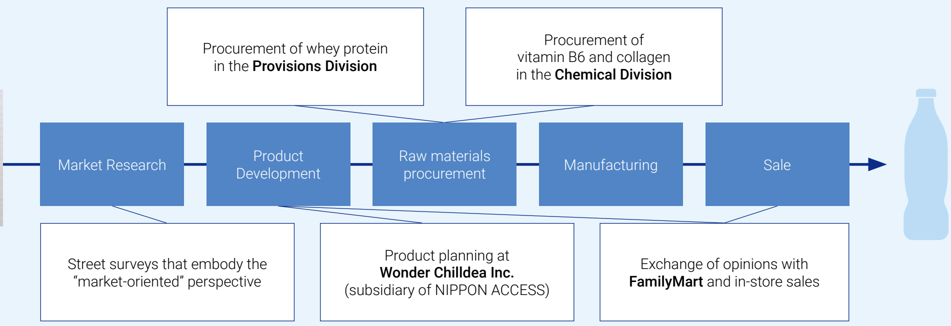
In April 2023, we formally introduced Virtual Office, an online platform for cross-organizational collaboration that enables passionate employees to participate in projects they have interest in beyond organizational boundaries, with the aim of further accelerating the promotion of cross-organizational projects and the creation of new businesses. We aim to foster the exchange of insights that break down the industry silos, a common challenge for general trading companies, while stimulating a spirit of challenge and growth ambition among junior and mid-career employees, leading to their revitalization and growth.

Related questions*2 of engagement survey
Average score of Virtual Office participants
14% (Average for each item) UP
*2 Sharing resources beyond the boundaries of organizations, etc.

New Products Born from the Virtual Office "Next Generation Protein Brand Development Team"

In FYE 2025, in response to the growing health concern of declining protein intake among the Japanese population, young and mid-career employees from our Food, Energy & Chemicals, and Human Resources & General Affairs divisions initiated this project with the aim of increasing protein consumption and promoting better health. By adopting a market-oriented perspective and conducting interviews with consumers, they identified latent needs. They achieved rapid product development and have fostered cross-organizational value creation and synergy by collaborating across Companies, such as through the provision of raw materials.

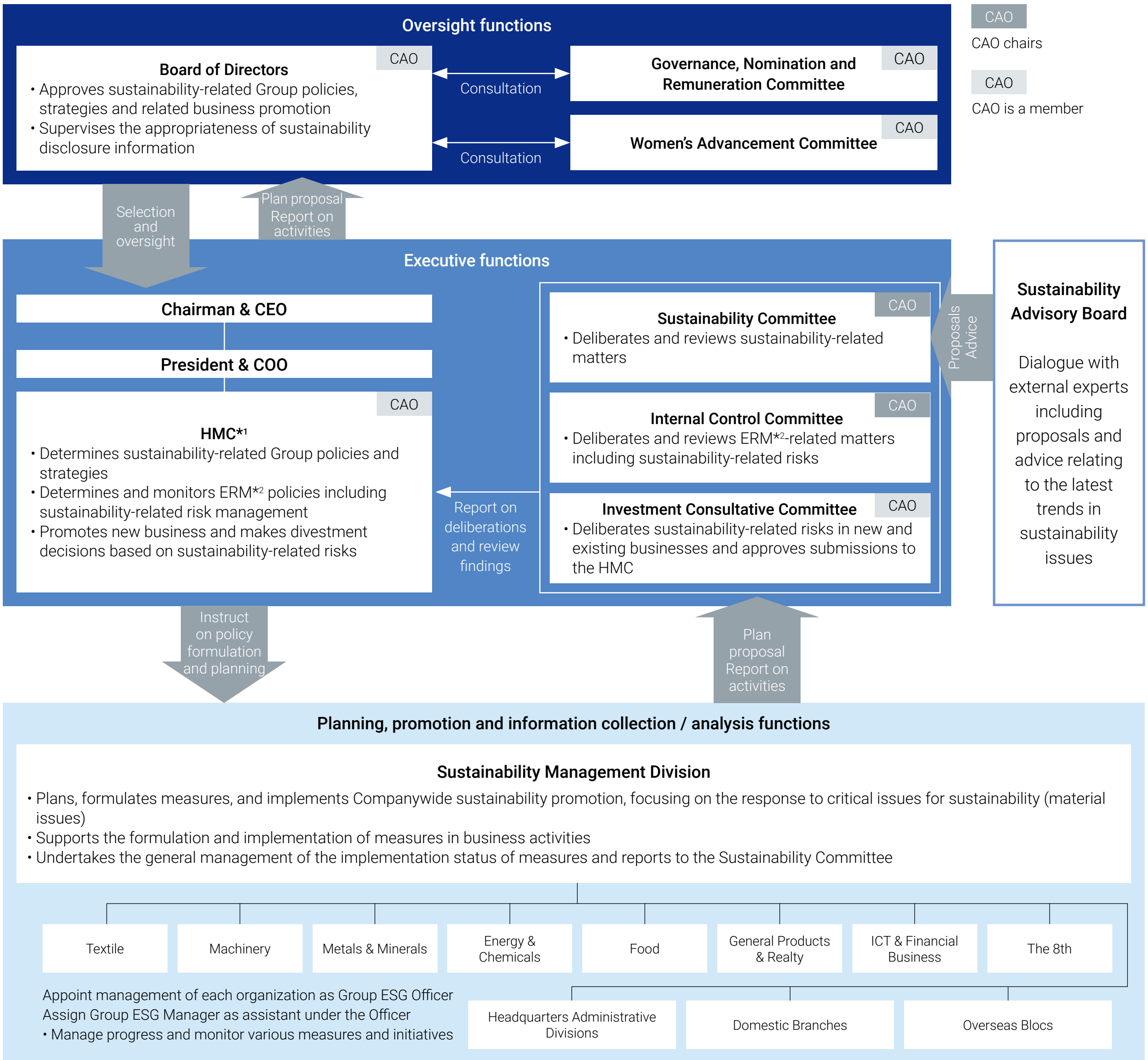
Members of the Next-Generation Protein Brand Development Team



Initiatives to Promote Sustainability

Under our corporate mission, "*Sampo-yoshi*," and our Management Policy, "The Brand-new Deal," enhancing our corporate brand value is a key area in addition to growing earnings and shareholder returns. To enhance our corporate brand value, we specifically focus on promoting the reinforcement of human capital, strengthening dialogue with stakeholders, and enhancing our contribution to and engagement with the Sustainable Development Goals (SDGs) through our core business. Strengthening our contributions to and engagement with the SDGs is a basic policy carried over from the previous medium-term management plan. By addressing the Group's material issues, which are linked to SDGs targets, through our core business, we contribute to achieving the goals of the Paris Agreement and the SDGs.

Sustainability-Related Governance Structural Chart



*1 HMC: Headquarters Management Committee *2 ERM: Enterprise Risk Management

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

Policy & Basic Approach
https://www.itochu.co.jp/en/csr/itochu/policy/index.html#h2_01

Sustainability-related Governance Organization and Systems
https://www.itochu.co.jp/en/csr/itochu/governance/

Sustainability-related Risks and Opportunities
https://www.itochu.co.jp/en/csr/itochu/risk_management/

Identification and Review Process for Material Issues
https://www.itochu.co.jp/en/csr/itochu/policy/index.html#h2_03

Risks, Opportunities, and Impacts for Each Material Issue
https://www.itochu.co.jp/en/csr/itochu/strategy/index.html#h2_02

Sustainability Action Plans
https://www.itochu.co.jp/en/csr/itochu/actionplan/

Collaboration with Outside Initiatives
https://www.itochu.co.jp/en/csr/itochu/collaboration/

Flow of Sustainability Promotion

Corporate Mission & Guideline of Conduct

Corporate Mission
Sampo-yoshi

Guideline of Conduct
I am One with Infinite Missions

Policy

Code of Ethical Conduct

The ITOCHU Group Sustainability Policy

- Environmental Policy
- Human Rights Policy
- Biodiversity Policy
- Sustainability Action Guidelines for Supply Chains
- Basic Activity Guidelines on Social Contribution

Material Issues	Related SDGs	Number of Action Plans*3
Evolve Businesses through Technological Innovation We are creating new value by proactively exploring new technologies as we adapt to changing industry structures by venturing beyond existing business frameworks.	7, 9, 13	26
Address Climate Change (Contribute to a Decarbonized Society) We are striving to adapt to the impact of climate change on our business activities, while also promoting business activities that contribute to a decarbonized society and seeking to reduce GHG emissions.	6, 7, 12, 13, 15	43
Develop a Rewarding Work Environment We are developing a work environment where all employees feel proud and motivated, and where they can leverage their diversity to demonstrate their abilities to the fullest.	5, 8, 10	27
Respect and Consider Human Rights We are promoting respect and consideration for human rights in our business operations and ensuring stability in our business, while also contributing to the development of local communities.	8, 9, 11, 12, 14, 15	21
Contribute to Healthier and More Affluent Lifestyles We are striving to improve the quality of life for all people and are contributing to the creation of healthier and more affluent lifestyles.	2, 3, 8, 9, 12	14
Ensure Stable Procurement and Supply We are contributing to the creation of a circular economy by giving consideration to biodiversity and other environmental issues while undertaking the effective utilization of resources as well as their stable procurement and supply, in line with demand in each country.	7, 8, 9, 12, 13, 14, 15	38
Maintain Rigorous Governance Structures We are ensuring appropriate and efficient execution of operations through independent, objective, and effective oversight of management by the Board of Directors and increased transparency in decision-making.	16	8

*3 FYE 2025 results (including those related to multiple material issues)

Business Activities
- Division Companies
- Headquarters
- Group companies

PDCA Cycle for Action Plans

Identification in each business field
- Risks and opportunities
- Social impacts
- Issues that should be addressed

→ Create action plans → Execution of action plans → Annual review (Each organization reviews and then reports progress to the Sustainability Committee) → Identification in each business field

Management Resources
- Human Capital (Individual Capabilities)
- Organizational Capabilities and Business Know-How
- Business Portfolio
- Financial Capital
- Trust and Creditworthiness
- Client and Partner Assets
- Natural Capital / Natural Resources
- Relationships with Society

Management Policy / Management Plans

Solving Sustainability Issues through Business Activities

Contents
ITOCHU's Trajectory
Management Messages
Value Creation Cycle
Mechanisms and Practices for Value Creation
Business Portfolio
Corporate Governance
Data Section / Dialogue with Stakeholders

Initiatives for Steadily Promoting Sustainability

To steadily promote sustainability, each initiative is deliberated by the Sustainability Committee and determined by the CAO, who chairs the committee, and reported to the Board of Directors. In certain cases, depending on the content, it is deliberated and decided by the Board of Directors. The Sustainability Advisory Board is held every year to engage outside experts in dialogue with our executive management to determine whether the direction we are taking with regard to sustainability is aligned with the needs of society and then to apply the insights to promoting sustainability.

Sustainability Committee

Number of Meetings Held	Main Items for Approval	Main Items for Report
2 times	• Disclosure of sustainability-related information in Annual Securities Report • Revision of Environmental Policy • Expanded notification of revised "Sustainability Action Guidelines for Supply Chains"	• Confirmation of the material issues • Review of Sustainability Action Plans • Results of ITOCHU Group Sustainability Monitoring Reviews • Reports on response status of disclosure for CSRD, ISSB / SSBJ • Reports on progress of GHG emissions and avoided emissions • ISO14001 environmental management reviews • Reports on human rights due diligence and sustainability surveys

Sustainability Advisory Board

Month / Year	Theme	Advisory Board Members
January 2025	Supplier Engagement for GHG Emissions Reduction	(ITOCHU Members) • CAO / Director, Sustainability Promotion Department / General Manager of each Division Company's Corporate Planning Department (External Members) • Mitsuhiro Nishida, Director, GX Investment Promotion Division, GX Policy Group, METI • Naoyuki Yamagishi, Director, Nature Conservation Office, World Wide Fund for Nature Japan • Hidemi Tomita, President, Institute for Sustainability Management Inc.

We introduced the features of our Scope3 and the approach and challenges in collecting Scope3, followed by lectures on the latest trends regarding national green transformation (GX) promotion measures, GHG protocol revision, and GHG data acquisition from suppliers from the experts' different perspectives and advice from the experts.

Additionally, specific examples of reduced Scope3 emissions were introduced by ITOCHU. The ITOCHU Group will continue to promote businesses that contribute to avoided emissions and collaborate with its partners along the value chain to advance environmentally friendly designs in handling products and services, the greening of energy usage, and striving to reduce GHG emissions. We also introduced examples of specific Scope3 reductions.

Medium- to Long-Term Targets for Material Issues

With respect to its seven material issues, ITOCHU has identified four material issues that have a particularly significant impact on the Company. As well as addressing these issues through the Sustainability Action Plans established for each business field, ITOCHU tackles the issues by setting medium- to long-term numerical targets for the entire Company and managing progress toward them.

Material Issues	Medium- to Long-Term Targets	Achievements		
Evolving Businesses through Technological Innovation	The ITOCHU Group creates avoided emissions that exceed its GHG emissions by 2040 and achieves offset zero	Created avoided emissions	FYE 2019 1 million t-CO_2e	FYE 2025 9.7 million t-CO_2e
Address Climate Change (Contribute to a Decarbonized Society)	The ITOCHU Group achieves a 75% GHG reduction from 2018 levels by 2040 and net zero GHG emissions by 2050	Scope1, 2, and 3 total*1	FYE 2019 4,161 thousand t-CO_2e	FYE 2025 4,139 thousand t-CO_2e
Develop a Rewarding Work Environment	ITOCHU increases the ratio of female officers (including Executive Officers) to 30% or higher by 2030	Ratio of female officers (including Executive Officers)	As of April 1, 2024 21%	As of April 1, 2025 28%
Respect and Consider Human Rights	ITOCHU conducts Sustainability Surveys of key suppliers every year, with the aim of reducing the number of noncompliant suppliers requiring corrective action to zero	Number of non-compliant suppliers identified through sustainability surveys	FYE 2024 0	FYE 2025 0

*1 Total of Scope1, 2, and 3 emissions disclosed in ESG data

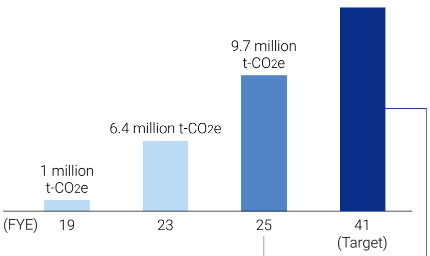
Toward Achieving Climate Change Targets

Individual Targets and Initiatives for the Clean-Tech Business

Clean-Tech Business	Targets and Initiatives
Renewable Energy Business	• Increase the ratio of renewable energy capacity within our power generation portfolio to over 20% by FYE 2031 (Results of FYE 2025: 18.7%) • Invested in renewable energy generation of approximately 2,500 MW in total as of July 2025, such as in Cotton Plains (wind and solar power) and Prairie Switch (wind power), both of which are in the United States, and in Sarulla Operations (geothermal power) in Indonesia • Developing over 40 solar power plants, totaling 6,800 MW as of March 2025, including projects that have been sold. For details on the North American power business, please refer to its presentation materials on ITOCHU's website. **https://www.itochu.co.jp/en/ir/doc/presentation/**
Fuel Ammonia-Related Business	• Establish a value chain of fuel ammonia through integrated development including development, ownership, and operation of ammonia-fueled ships, development of fuel supply bases, and procurement of fuel ammonia • As part of international shipping's 2050 net zero emissions target, promote the spread of ammonia-fueled ships and their social implementation, contributing to the industry's decarbonization
Energy Storage Systems (ESS)-Related Business	• Aim to sell a cumulative capacity of over 2GWh in ESS units by FYE 2031
Water Infrastructure-Related Business	• Expand our achievements in Europe and Australia to other regions; continue to build up high-quality assets
Waste Management Project	• Expand our achievements in Europe to the Middle East and other regions in Asia; continue to build up high-quality assets • Commercial operation of the waste-to-energy plant in Serbia's integrated waste treatment project and the world's largest waste-to-energy plant in Dubai has commenced in 2024

For details on the clean-tech business, please refer to ITOCHU's website.
https://www.itochu.co.jp/en/business/cleantech/

Accumulation of Avoided Emissions



Renewable energy: 9,505 thousand t-CO_2e
Energy Storage System: 164 thousand t-CO_2e
Renewable fuels: 4 thousand t-CO_2e

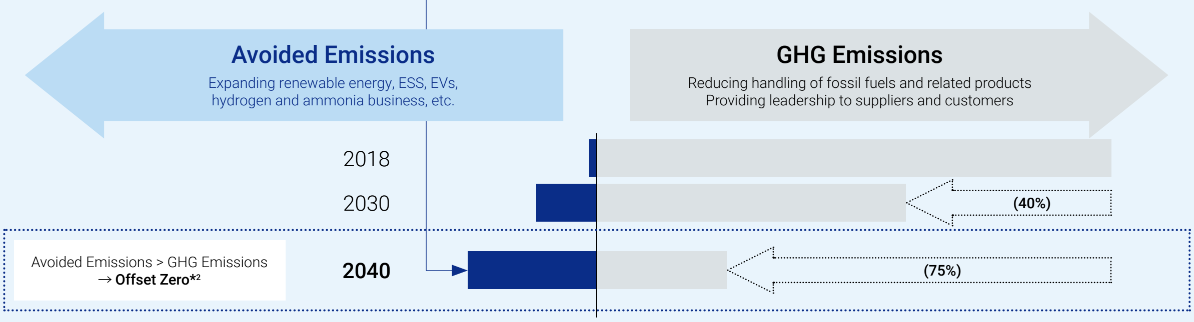
We are engaged in clean-tech businesses that simultaneously pursue economic value as well as environmental and social value by expanding our operations while addressing societal demands and industry challenges. By setting individual targets and working together with our business partners and customers in facing industries to implement grounded measures against climate change, we will steadily accumulate GHG avoided emissions.

Avoided emissions are quantifications of the GHG emissions reductions that can be realized in the value chain by replacing existing (baseline) products and services with new products and services. In FYE 2025, our avoided emissions reached 9.7 million t-CO_2e through the expansion of renewable energy businesses centered on the power generation business. We aim to create a volume of avoided emissions that exceeds our GHG emissions by 2040.

Climate Change Metrics and Targets

GHG Avoided Emissions and Offset Targets

- Achieving net zero GHG emissions by 2050
- Reducing emissions 75% by 2040 compared with 2018 level and aiming for offset zero by actively promoting businesses that result in avoided emissions
- Achieving a 40% reduction compared with the 2018 level by 2030



* Scope of GHG emissions: Scope1, 2, and 3 (ITOCHU and subsidiaries) + Fossil fuel businesses and interests (ITOCHU, subsidiaries, affiliates, and general investments)
* For environmental data on GHG emissions and other items, please refer to ☛ Page 94 ESG Data
*2 Offset zero: Situations where avoided emissions exceed the Company's GHG emissions

Initiatives to Promote Sustainability Across the Value Chain

As a general trading company with a long supply chain, we are striving to build sustainable value chains that recognize environmental and social risks as business opportunities. We strive to balance business expansion with meeting societal demands and solving industry challenges, thereby pursuing both economic value and environmental / social value simultaneously.

For details in sustainability within our value chain, please refer to ITOCHU's website.
https://www.itochu.co.jp/en/csr/society/value_chain/

Sustainability Management in the Natural Rubber Value Chain: PROJECT TREE

PROJECT TREE
TRANSPARENT RUBBER ECOSYSTEM FOR EARTH

Centered on PT. Aneka Bumi Pratama (ABP) in Indonesia, which processes and sells natural rubber, we are developing a value chain for natural rubber. PROJECT TREE is an initiative we have been advancing since 2019, aiming to enhance both the productivity and sustainability of the entire value chain of the natural rubber industry. While activities have previously been conducted mainly through ABP, from June 2025, the newly established PT PROJECT TREE INDONESIA has commenced operations, expanding our sustainability initiatives to supply chains beyond ABP and including other natural rubber processors.

Challenges Facing the Natural Rubber Industry

Current situation: Around 85% of global production, particularly in Southeast Asia, relies on smallholders

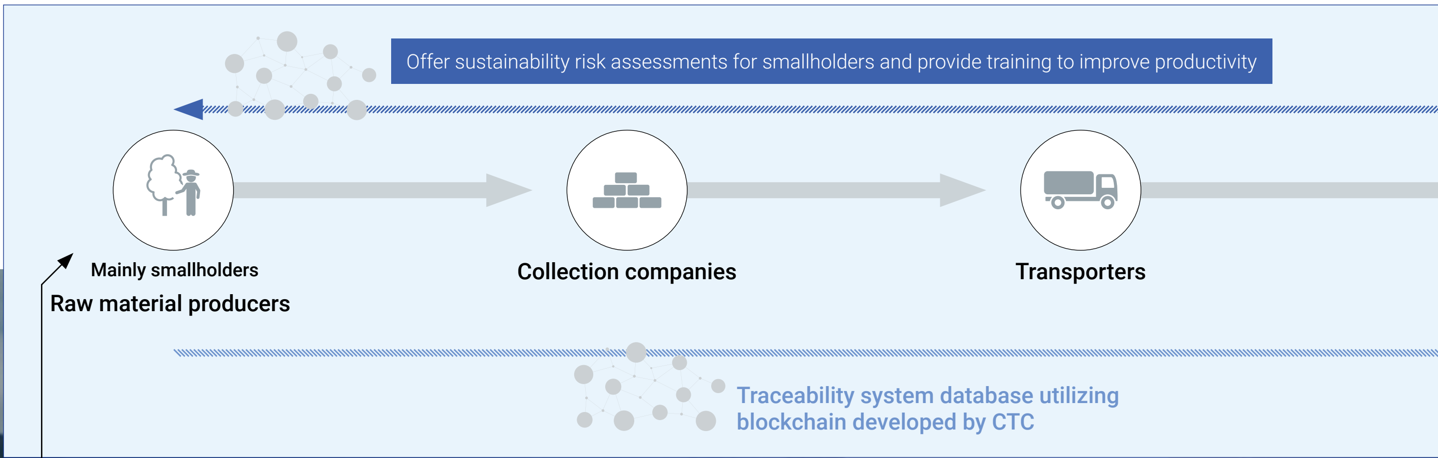
↓

Challenges: Illegal logging, human rights issues, and underdeveloped agricultural techniques

In Europe, the EUDR*1 has come into effect, requiring proof that the natural rubber and tire products brought into the EU after December 30, 2025, are not linked to deforestation.

*1 European Union Deforestation Regulation

Natural Rubber Value Chain



Agricultural Technical Guidance by PT PROJECT TREE INDONESIA

A dedicated staff team visits production sites scattered throughout the country on a daily basis to provide smallholders with assistance in inputting production site data, conducting on-site audits, and offering training activities aimed at enhancing the efficiency of raw material production. During the training, the team uses illustrations to communicate the challenges of the natural rubber industry in an easy-to-understand manner and explains ways of enhancing productivity, such as the height, angle, and frequency of cutting when collecting raw material sap. The content of the training often prompts a lively flurry of questions from participants. By increasing the number of smallholders participating in the project, we aim to realize a sustainable natural rubber industry.


Identification of production sites using GPS

Implementation of Human Rights Due Diligence

In FYE 2024, we conducted human rights due diligence targeting the General Products & Realty Company. With respect to the topics of the survey, there were no items indicating human rights infringements or adverse impacts on human health and safety that had already occurred, or where there is imminent concern that they will occur. However, investigative interviews with management team members and employees, which were held during on-site audits conducted with external experts, discovered companies that had room for improvement in the dissemination of information about occupational safety, health and hygiene in employee living quarters and factories, and the establishment of anonymous grievance mechanisms.

Subsequently, a follow-up report in FYE 2025 confirmed the completion of the anonymous reporting system and that all employees had been informed through compliance training.


Training on productivity improvement

For details on Human Rights Due Diligence, please refer to ITOCHU's website: https://www.itochu.co.jp/en/csr/society/human_rights/

Initiatives Related to Natural Capital and Biodiversity

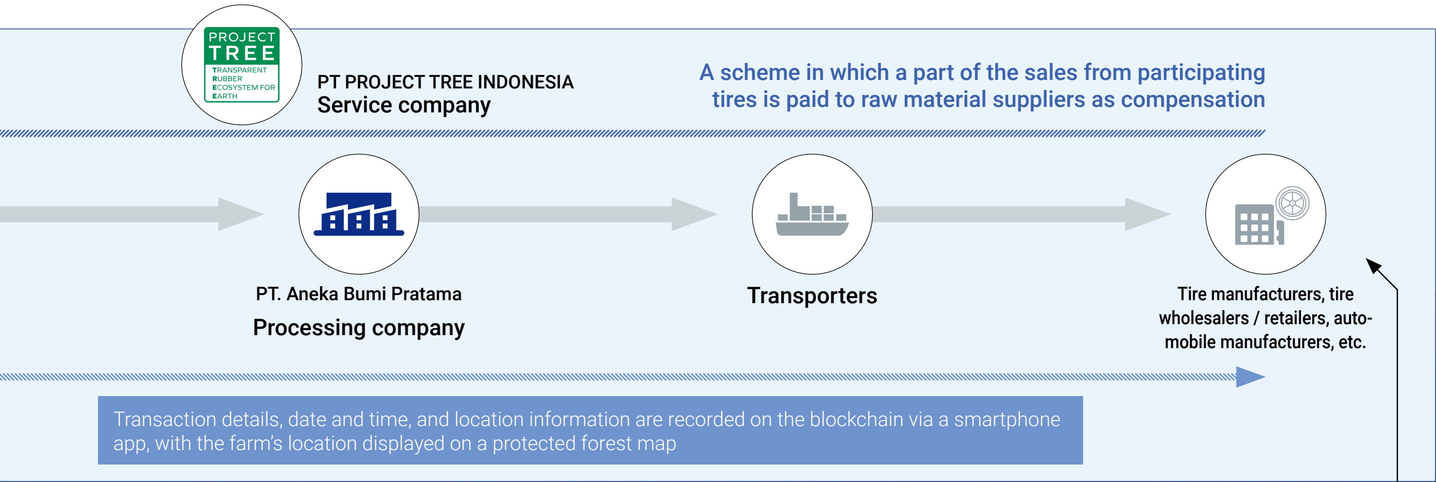
We analyze our significant dependence and impact on natural capital by referencing the TNFD*2 framework. As our natural rubber business has a particularly high dependency on natural capital among our operations, we conducted a LEAP analysis*3. Assessing the degree of dependence and impact on each of the business processes indicated that procurement (cultivation) and manufacturing (processing) are especially reliant on natural capital. For both processes, we identified risks and opportunities and confirmed that appropriate response measures have already been implemented.

Excerpt from LEAP Analysis for the Natural Rubber Business

Locate	• Using multiple databases, we identified sites associated with ecologically sensitive locations, covering all rural villages and ABP's factories in Indonesia.
Evaluate	• Literature review showed that the cultivation process is highly dependent on biomass provision, genetic material, climate condition, soil quality, and the natural functions of purification and disaster mitigation services. Land-use change and solid waste emissions have significant impacts on nature. • The processing stage is highly dependent on water sources (rivers), and water consumption and pollution of soil are found to have significant impacts on nature.
Assess	• The desktop analysis conducted in the Evaluate phase indicated that, for example, soil pollution has a significant impact on nature. However, the results of the Assess phase showed that the factory we operate has appropriate wastewater treatment and other measures in place, and that the risk is not significant. • We organized and discussed measures to address the risks and opportunities that were rated as highly significant.
Prepare	• In order to mitigate significant risks and create opportunities, it is important to ensure traceability and reduce environmental impacts in collaboration with farmers. • The core global indicators that TNFD recommends for disclosure and our specific collection indicators that we have considered based on the results of our analysis are disclosed.

*2 Taskforce on Nature-related Financial Disclosures
*3 LEAP analysis: A methodology developed by the TNFD, consisting of four steps—Locate, Evaluate, Assess, and Prepare—to clarify nature-related issues in target businesses

For further details on the LEAP analysis for our natural rubber business, please refer to ITOCHU's website:
https://www.itochu.co.jp/en/csr/environment/biodiversity/



Expansion to All Stakeholders Involved in Natural Rubber

PROJECT TREE aims to extend its reach to all stakeholders involved in natural rubber—including peer processing companies, tire wholesalers and retailers, automobile manufacturers, and consumers—while also seeking the global deployment of rubber products such as participating tires. Recently, there has been growing attention on compliance with European environmental regulations (EUDR), and several major global tire manufacturers are sourcing EUDR-compliant products through PROJECT TREE.

Examples of stakeholder expansion:

- In September 2023, Tokyu Bus became the world's first bus company to participate in PROJECT TREE.
- In April 2024, a contract was concluded with the Sumitomo Rubber Group regarding PROJECT TREE.

Related Material Issues

Respect and Consider Human Rights

Ensure Stable Procurement and Supply

Progress of the Sustainability Action Plan

(based on results from January to December 2024)

- Traceability of the natural rubber raw materials' procurement reported by suppliers reached 100%.
- Traceability of the natural rubber raw materials' procurement using our system reached 24% of the monthly purchasing volume up to the smallholders.
- 11,991 of smallholders implemented sustainability training and education.

For details on action plans related to the natural rubber business, please refer to ITOCHU's website.
https://www.itochu.co.jp/en/csr/itochu/actionplan/index.html#h2_01

CXO INTERVIEW

We will accelerate our growth by strengthening our business portfolio through steady growth investments and asset replacements with no exceptions, as well as by expanding horizontal collaboration initiated by digital transformation.

Hiroyuki Naka
Member of the Board,
Executive Officer, CXO*;
General Manager, Group CEO Office

* Chief Transformation Officer

QUESTION 1

Many growth investments were conducted in FYE 2025. Could you share the key points you prioritized when making investment decisions as Chairman of the Investment Consultative Committee?

ANSWER 1

I make growth investment decisions based on the required returns and growth potential expected of the Company as a whole.

Under the Management Policy of "No growth without investments," we executed investments of approximately ¥766 billion in FYE 2025. Furthermore, when adding the amount which has already been executed in FYE 2026, we achieved the ¥1 trillion growth investment that was set forth in the Management Policy announcement. However, our investments are not driven by the target amount of ¥1 trillion. A considerable number of projects were rejected or required a reconsideration of their schemes, as we carefully screened each proposal in detail. By maintaining strong collaboration among the management team, we believe we have been able to make meaningful investments totaling ¥1 trillion, selected from a rich pipeline, with a focus on enhancing our future corporate value.

There were two key points on which I placed particular emphasis when making investment decisions.

The first point is whether the investment project can truly contribute to the returns and growth required of the Company as a whole. Our investment criteria include setting hurdle rates by industry. For example, even in sectors such as consumer-related fields, where growth rates tend to be relatively low, or in low-risk, low-return businesses, investments primarily aimed at expanding profit scale may still be pursued if the expected returns are commensurate with the associated business risks. However, in our long-term Management Policy, where we advocate for continuing high growth and highly efficient management, it is important not only to focus on projects that contribute to short-term profits but also to pursue investments that broaden our business base and enhance the Company's overall growth rate in the medium- to long-term. When executing investments, in addition to strictly screening whether each project meets our criteria, we place importance on whether it contributes to fostering market expectations for our growth—taking into account the growth potential and efficiency expected of the Company as a whole, as well as the potential to expand our business through the investment. To firmly secure the enhancement of corporate value through ¥1 trillion growth investments, I instruct each segment not only to actively consider new investment opportunities but also to discuss growth strategies in each area aimed at sustainable growth, and to develop projects with a medium- to long-term growth perspective.

The second point is the further evolvement of investment structuring, which I mentioned last year. Regarding "The Four Lessons for Investments" learned from our past investment failures, we not only promote awareness of the lessons through internal training and front-line engagement but also rigorously embed them into contract terms, securing both the creation of synergies and the rights and means to exercise influence. Relying solely on verbal agreements or strategic concepts often fails to deliver the anticipated results. While maintaining an appropriate distance with negotiation counterparties and making swift decisions are important in M&A, we cannot tolerate compromises resulting from lax negotiations. For certain large-scale investments executed in FYE 2025, we instructed revisions and renegotiations of contract terms, and through persistent and resourceful efforts at the front line, we were able to execute them under more favorable conditions.

We plan to continue making proactive growth investments in FYE 2026. Even amid an uncertain business environment, we will rigorously maintain our focus on the key points described above. At the same time, we will pay close attention to balancing and diversifying our overall portfolio, and we will execute optimal growth investments to achieve the sustainable enhancement of corporate value.

QUESTION 2

As you step up growth investments, will you also accelerate asset replacements?

ANSWER 2

In order to make more effective use of management resources, we will not only divest unprofitable businesses, but also build a more efficient portfolio through asset replacements with no exceptions.

We conduct an annual review of all business investments and reassess our holding policy based on our business exit criteria. As a result, we do not have a significant number of unprofitable businesses in our portfolio. However, it is also true that after investments are executed, some may gradually lose their initial strategic significance or future growth prospects. While they may still contribute to profits to some extent, there are cases where they should be reviewed in order to pursue a more efficient portfolio. The dissolution of strategic investment with the CP Group, announced in April 2025, is an example of asset replacements with no exceptions. 10 years have passed since the initiation of our capital alliance, the transaction amount has increased to five times its initial level at the beginning of the partnership, and relationships are being developed across various areas. Therefore, we concluded that maintaining the mutual capital alliance was no longer necessary. In April 2025, we had fully recovered the cash from the dissolution of the cross-shareholding. Excluding the initial investment of ¥87 billion, the total cash return over the past 10 years amounted to approximately ¥120 billion, which we consider to be a significant quantitative contribution.

Although we have a rich pipeline of growth investments aimed at growing earnings, as a company that operates with a small organization comprising select individuals, we must make effective use of our limited resources. Even with our strength in hands-on management, we do not intend to allocate resources indiscriminately to all investment projects. For example, even for wholly owned subsidiaries, if the returns generated do not meet our expectations relative to management resources allocated, it is important to adopt a more flexible approach, such as inviting partners with different expertise and revise the capital structure to manage the business. In order to build a more efficient, competitive, and robust portfolio, we will execute asset replacements with no exceptions alongside our growth investments.

QUESTION 3

What are the initiatives toward maximizing synergies through horizontal collaboration among Division Companies, and the current status of business transformation utilizing digital technologies?

ANSWER 3

We will accelerate our growth by strengthening horizontal collaboration initiated by digital transformation.

In recent years, many companies have seen their market evaluations improve by utilizing digital technologies as a growth driver. Similarly, we have two major strengths: a broad business base in the information technology and communications sector, and vast amounts of data obtained from our consumer sector. Therefore, compared to other companies, we are confident that we have built a highly advanced foundation for utilizing digital technology to drive growth. While it goes without saying that the utilization of AI and digital transformation has contributed significantly to dramatic cost reduction and increased efficiency, in FYE 2025 we have also begun full-scale development and use of platforms in supply chain management and marketing support. These platforms leverage front-line expertise and accumulated data, leading to new cases where our earning power is evolving, and the pace of growth is accelerating.

The diverse range of businesses handled by a general trading company spans various industries, each with its own business models and commercial practices, making collaboration not always straightforward. However, by leveraging the power of digital technology as a catalyst, we can connect to previously unrelated businesses, and it is precisely in these new connections that the infinite potential of a general trading company lies. Furthermore, the insights gained from digital utilization within our Group are creating a virtuous cycle, as they contribute to building up achievements in our digital business portfolio. In addition, with respect to growth investments, following initiatives with FamilyMart and WECARS Co., Ltd., we are exploring projects that could lead to the development of platforms in which multiple Division Companies bring together their expertise to achieve a higher level of growth. Regardless of the external environment, we will continue to enhance our competitiveness through proactive transformation and sustain steady growth.
(☛ Page 56 Digital Strategy for the Sustainable Enhancement of Corporate Value)

Digital Strategy for the Sustainable Enhancement of Corporate Value

We recognize that leveraging digital technologies is essential for business growth, and have strengthened the digital management platform that supports our corporate activities through strategic and continuous digital investments.

Under our Management Policy, "The Brand-new Deal," we will maximize the resources within the Group and work to continuously improve our corporate value through digitalization initiatives which contribute to the "Earn, Cut, Prevent" principles.

Strengths of Our Digital Strategy

IT & Digital Strategy Division

Group of Digital Businesses (CTC, etc.)

- Agile digital promotion capabilities
- Accumulation and utilization of extensive data owned by Group companies mainly in the consumer sector

Robust and Scalable Digital Management Platform Supporting Corporate Activities

In 2018, ITOCHU became the first among Japanese general trading companies to complete its migration to the latest version of SAP, our core system supporting consolidated management. Since then, we have continued to upgrade the system, building a stable and scalable digital management platform that is responsive to future business needs.

We have also been involved in cybersecurity measures from an early stage. Given the increasing threat of cyberattacks, we established ITOCHU Cyber & Intelligence Inc. By leveraging some of Japan's leading security experts, we further enhanced our proactive, Groupwide security framework. These initiatives contribute to the "Prevent" aspect of our management principles by preventing security incidents before they occur, while also enhancing our corporate brand value.

2012
Launched a cybersecurity team comprised of highly specialized personnel

2023
Established ITOCHU Cyber & Intelligence Inc.

POINT
- Our advanced security network enables us to protect the entire Group, including more than 400 subsidiaries and sub-subsidiaries.
- ITOCHU Cyber & Intelligence Inc. employs multiple top-tier security analysts, recognized among the leading experts in Japan.
- ITOCHU Cyber & Intelligence Inc.'s employees have received numerous awards for their presentations at leading cybersecurity conferences in Japan, including JSAC*1.
- ITOCHU Cyber & Intelligence Inc. provides technical support and information on cyberattack detection and mitigation to the National Police Agency and the National center of Incident readiness, and Strategy for Cybersecurity (NISC)*2.

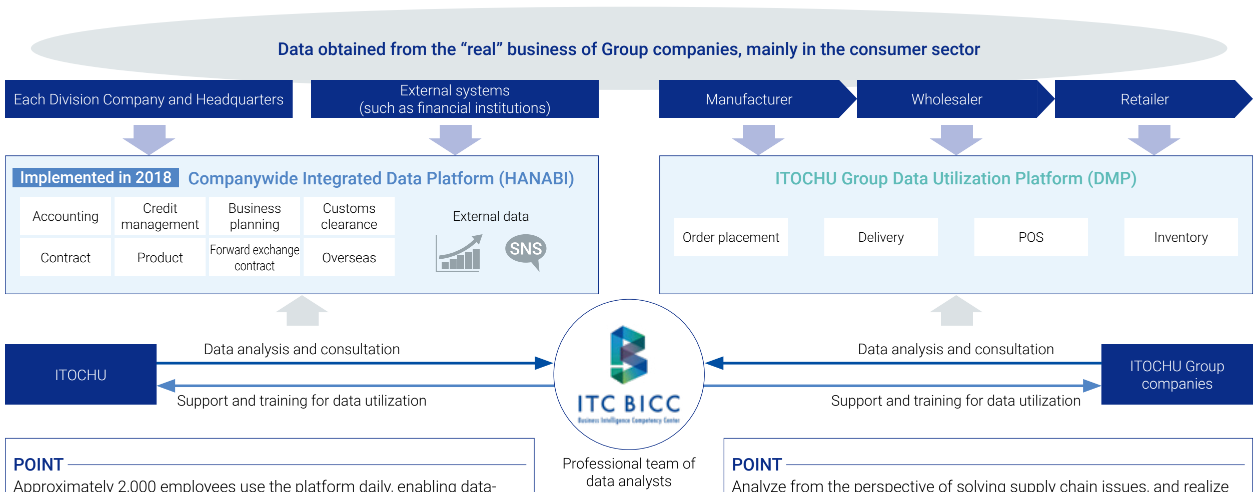
*1 JSAC: A conference event for security researchers and practitioners
*2 The organization was restructured as the National Cybersecurity Office in July 2025.

Unique Data Platforms and Dedicated Expert Organizations Driving Data Utilization

One of the core elements of our digital strategy is to centrally organize, accumulate, and utilize the Group's wide range of "real" data and use it to contribute to profits through problem-solving and business creation. In 2018, we launched the Companywide integrated data platform "HANABI," enabling rapid data visualization in business operations. Additionally, we established BICC*3, an expert organization with data analysts, to promote the widespread and effective use of data. Furthermore, we developed the group data utilization platform "DMP*4" for leveraging supply chain data held by Group companies with strengths in the consumer sector. These data platforms are unique assets of the ITOCHU Group, serving as powerful drivers of sustainable growth.

*3 BICC: Business Intelligence Competency Center　*4 DMP: Data Management Platform

Building a system to flexibly support on-site data utilization and analysis



POINT
Approximately 2,000 employees use the platform daily, enabling data-driven decision-making and problem-solving at the business front lines.

POINT
Analyze from the perspective of solving supply chain issues, and realize solutions such as inventory optimization and delivery route optimization.

From Continuous Business Improvement and Productivity Improvement to the Phase of Business Creation and Business Transformation Using Generative AI

As part of our lean management "Cut" principle, we have been promoting continuous business improvement and efficiency using digital tools, and have already achieved a significant increase in productivity. At this stage, it has started to contribute to "Earn" by creating new businesses and transforming business models in various fields by combining our proprietary generative AI "I-Colleague" with the data platform we have built (HANABI and DMP). Going forward, we will further expand AI utilization, including the introduction of autonomous AI agents, and focus on building and operating robust governance controls to ensure the transparency and safety of AI use.

Work efficiency improvement and improvement	Advanced business operations	2023 Productivity improvement + Advanced business operations	2024	2025 Business creation	Business transformation
Business process improvement and systematization	Data utilization and analysis	Productivity improvement in general business operations	Productivity improvement in specialized business operations	Creation of new businesses	Creation of cross-industry synergies
Automation of system input and output operations				Growth of existing businesses	

POINT
Achieved productivity increase of approximately 520,000 hours, or the equivalent of approximately 300 employees

ERP / RPA / OCR → Analytical AI → Analytical AI and generative AI (Corporate generative AI "I-Colleague") → Enhancing profitability: Generative AI, etc. × Business → Further earning power: Generative AI, etc. × Business

- Consumer sector
- Basic industry sector
- Mineral resource sector

Data platform
Companywide Integrated Data Platform (HANABI)
ITCOHU Group Data Utilization Platform (DMP)

Internal expertise | Internet information

I-Colleague
- Launched a dedicated environment in July 2023 for the secure handling of confidential information, with approximately 2,500 users.
- Established dedicated environments for Group companies, including overseas.
- Expanded AI support functions from information gathering and draft preparation of contracts or proposals to specialized tasks such as market analysis, business investment, and audits.

Case Study: "See, Solve, Run" Services that Utilize Problem-Solving Know-How

Contribute to Enhancing "Earn" by Combining Our Business Problem-Solving Capabilities with Data Analysis and Utilization Skills

We have addressed a variety of business challenges, including the development of a traceability system for natural rubber using blockchain technology. To leverage and share our accumulated expertise, we have developed business problem-solving services for Group companies.

One example is the "See, Solve, Run" service targeting supply chain management. This unique solution addresses social challenges such as ongoing 2024 logistics issue of driver shortages—the cap on truck drivers' overtime hours starting from 2024—responding to societal demands for greater efficiency and sustainability. Each Group company faces significant operational challenges, such as how to collect, analyze, and utilize data to drive on-site improvements.

Miru (See)
Data-based
- Insight into current status
- Identification of issues

Toku (Solve)
Data-based
- Design and implementation of solutions
- Verification of ROI

Mawasu (Run)
Run continuous cycle of data-based identification of issues and improvement process

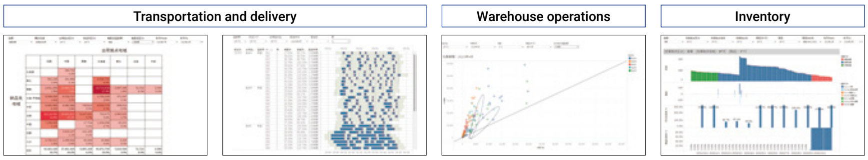
Supporting the "See, Solve, Run" functions in the supply chain domain

Our service is used by ITOCHU Retail Link Corporation and others to support growth investments, hands-on management, and the enhancement of corporate value. Moreover, by offering these services to business partners in the supply chain, we contribute not only to their management improvement but also to the stabilization of existing trading businesses and the strengthening of relationships.

We are further extending our supply chain successes into the marketing domain, directly contributing to the "Earn" aspect. For example, in the consumer sector, including Group companies such as DESCENTE LTD. and YANASE & CO., LTD., we are supporting service improvement proposals and the execution of initiatives for customers. As a new tool for "continuous enhancement of marketing capabilities," we aim to raise the competitive strength of the entire Group.

Developing a generic dashboard

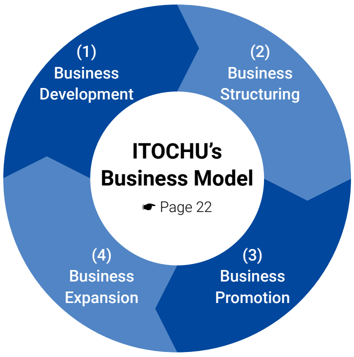
Domain	Transportation and delivery	Warehouse operations	Inventory
Dashboard (Example)			



× Analyze approximately **70** indicators

Creating and Expanding Businesses by Utilizing FamilyMart's Business Platform

Throughout our long history with FamilyMart, we have maximized the resources of the ITOCHU Group to continuously evolve the value provided as a convenience store (CVS) and drive the growth of the CVS business. In addition to The 8th Company, which oversees FamilyMart, we are also actively working to strengthen the entire value chain in which our Group is involved in various ways. Furthermore, by leveraging FamilyMart's business platform as a consumer contact point, we are creating new business opportunities. We will continue to expand the earnings base of the entire ITOCHU Group, centered on FamilyMart.



FamilyMart Value Chain

Convenience Wear (Textile Company)

Since March 2021, we have launched a nationwide expansion of our private brand products, mainly focusing on apparel and general goods. Previously, apparel products sold at convenience stores were intended to meet only emergency needs. However, by offering high-value-added products that can serve as a "purpose-driven purchase," we aim to contribute to creating new reasons for customers to visit our stores.

In FYE 2025, sales exceeded ¥13 billion, representing more than 130% of the previous fiscal year. The number of socks sold—including the highly popular line socks that sparked the trend—surpassed 24 million pairs as of the end of February 2025. Currently, our lineup has expanded to the point where customers can coordinate an entire outfit, and we now offer approximately 100 types of products. Regarding the development of apparel products, since the initial launch, we have leveraged our strong business foundation in the textile sector to support raw materials procurement, production system development, etc.

Product Planning and Procurement (Food / Non-Food)

Raw Materials and Ingredients | Product Planning | Manufacturing and Processing

ITOCHU Food Sales and Marketing

We handle rice on a nationwide scale for use in bento, rice balls, and sushi. By supporting quality control and process management at rice milling, polishing, and cooking factories, we have established a stable supply system that ensures customers receive bento and rice balls with the same delicious taste everywhere in Japan.

ITOCHU PLASTICS

We leverage our comprehensive strengths in packaging development, quality and supply management, design, and marketing to meet consumer needs for packaging materials and provide FamilyMart with a stable supply. We also participate in FamilyMart's ready-to-eat food development meetings and contribute to the launch of newly planned products.

ITOCHU Pulp & Paper

We supply a wide range of products, from food packaging and containers to in-store materials. By developing high-quality, functional materials and providing new types of food containers and packaging materials that utilize them, we contribute to improving store quality and service while taking quality, cost, and environmental impact into consideration.

Food Company supplies products such as Famichiki (fried chicken) and counter coffee.

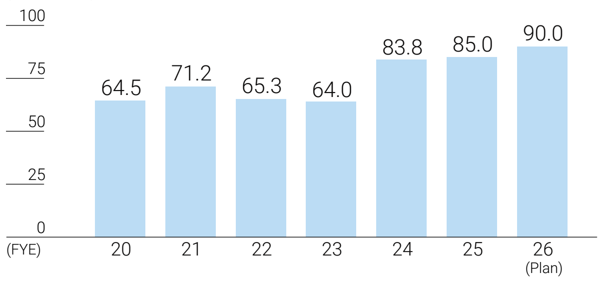
We are leveraging FamilyMart, with its extensive consumer touchpoints, to strengthen our value chain and promote cross-functional business development. Through these initiatives, we are driving the creation of new businesses and expanding our earnings base.

Enhancement of Corporate Value ⬆ = Expand Created Value ⬆ / (Lower Cost of Capital ⬇ — Increase Growth Rate ⬆)

History of FamilyMart and ITOCHU

Month / Year	Ownership	Major Events
1981		Establishment of FamilyMart Co., Ltd.
1998	29.7%	Acquired shares from Seiyu Co., Ltd. via Family Corporation Inc. making FamilyMart an equity-method affiliate
Sep. 2009	31.6%	ITOCHU becomes the largest shareholder
Sep. 2016	33.8%	Establishment of FamilyMart UNY Holdings Co., Ltd.
↓	41.5%	Continued to increase shareholding
Aug. 2018	50.1%	Became a consolidated subsidiary
Nov. 2018		Integration completed with Circle K Sunkus
Nov. 2020	94.7%	Privatization of FamilyMart

Trend of FamilyMart's Core Operating Profit*



Profits / Losses of FamilyMart Attributable to ITOCHU

20	21	22	23	24	25	26
¥17.5 billion	(¥16.7) billion	¥44.7 billion	¥23.7 billion	¥41.8 billion	¥69.8 billion	¥42.0 billion

Future profit target ¥50.0 billion

* A profit indicator for operating profit under Japanese GAAP that is calculated by subtracting the cost of sales and selling, general and administrative expenses from gross operating revenue

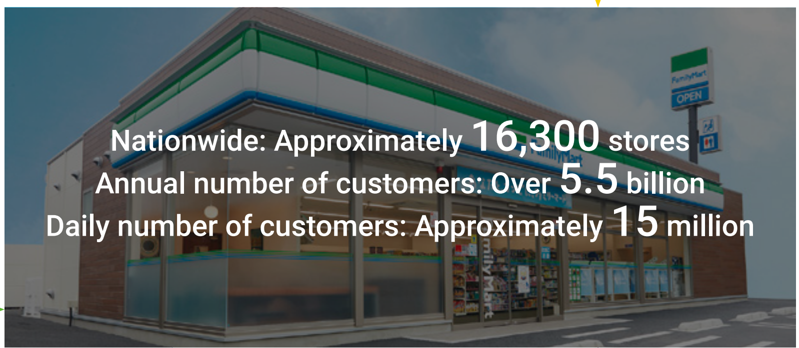
Retail Media Business (Data One, Gate One)

By utilizing digital signage installed in over 10,000 FamilyMart stores, we are building one of the largest retail media networks in Japan.

In addition, we are operating a digital advertising business that leverages more than 42 million IDs accompanied by purchase data, thereby developing one of the largest retail media businesses in Japan.

(☛ Page 79 From Retail Media Front-Runner to Cross-Industry Platform Provider)

Advertising and Media Business



Intermediate Distribution

Operational Support

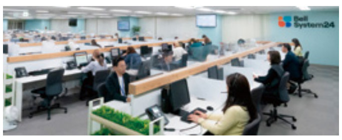
Service

NIPPON ACCESS

We support FamilyMart's logistics with our strength in comprehensive temperature-controlled distribution, covering dry (ambient), chilled, and frozen products. By introducing AI-based automatic ordering systems and utilizing data, we are working to optimize the supply chain through inventory reduction and streamlining of ordering operations.

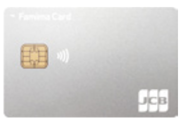
BELLSYSTEM24

Building on know-how cultivated through more than 40 years of diverse experience, we design and construct contact centers that combine the latest technology with human resource development programs, enabling us to provide efficient and high-quality customer support.



POCKET CARD

We are jointly promoting the "Famima T Card" business with FamilyMart. By utilizing FamilyMart locations nationwide, we are expanding the business and providing unique, high-value-added services. Starting September 1, 2025, the card will be renewed to the even more advantageous "Famima Card."



Expanding Collaboration with Leading Domestic Companies by Leveraging "Trust and Credibility"

Under our Management Policy, "The Brand-new Deal," ITOCHU has adopted the principle of "No growth without investments," striving to enhance performance through proactive growth investments. In addition to expanding investments in areas where we possess expertise, we have also increased cases of expanding our business domains through collaboration with leading domestic companies. Growth investments leveraging the "trust and credibility" we have cultivated over the time have broadened our business potential.

Diverse Collaboration with Domestic Manufacturers Originating from Investment in Hitachi Construction Machinery

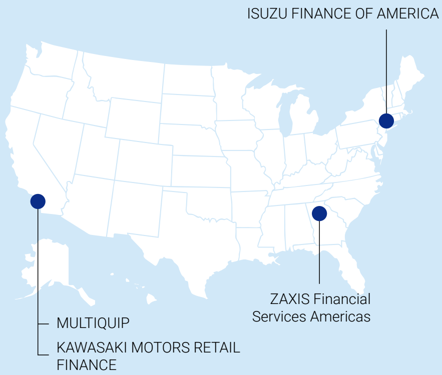
In August 2022, we executed an investment in Hitachi Construction Machinery Co., Ltd. through a special purpose company jointly established with Japan Industrial Partners, Inc. Behind this investment, there were two key developments for Hitachi Construction Machinery Co., Ltd.: one was the independent business development in the North American market following the dissolution of its long-standing alliance with Deere & Company in the U.S. at the end of February 2022; the other was Hitachi, Ltd.'s efforts in response to the dissolution of its parent-subsidiary listing. We have built a relationship of mutual trust with Hitachi Construction Machinery Co., Ltd. as business partners since the 1990s through trade and joint ventures in Indonesia and elsewhere. Furthermore, our expertise gained through finance operations in North America with Isuzu Motors Limited, as well as the sales channels of MULTIQUIP Inc., a U.S. company specializing in compact construction equipment, were highly valued. As a result, we were selected as the optimal partner for a capital alliance with Hitachi Construction Machinery Co., Ltd., particularly in the North American market, where nearly 90% of construction machinery purchasers utilize financing. The presence of a competitive captive finance company is therefore essential to success in this market. Leveraging the know-how we have accumulated over the years in North American construction machinery and finance businesses, we have established a local finance company in collaboration with Hitachi Construction Machinery Co., Ltd. and Tokyo Century Corporation. By providing services that meet local needs, such as prompt credit screening and flexible payment options, the company achieved profitability in its first year of operation in FYE 2024.

These collaborative achievements with Hitachi Construction Machinery Co., Ltd. have served as significant momentum for securing investment opportunities with other leading companies. In April 2025, we acquired shares in Kawasaki Motors, Ltd. through a capital and business alliance, launching and promoting a joint retail finance business in the motorcycle and power sports* sector to further expand Kawasaki Motors, Ltd.'s presence in the North American market. (☛ Page 67 Capital and Business Alliance with Kawasaki Motors, Ltd.) Furthermore, in May 2025, aiming to resolve the parent-subsidiary listing of Toyota Industries Corporation, we acquired shares in AICHI CORPORATION, a leading manufacturer of aerial work platforms. This will enable us to create new revenue opportunities by strengthening our value chain in the domestic market, including financing, after-sales service, and used car sales, as well as to achieve growth by developing overseas markets. In this way, the "chain of trust" cultivated through collaboration with Hitachi Construction Machinery Co., Ltd. continues to drive new investment opportunities and the expansion of the Machinery Company's business domains.

* Power sports vehicles refer to motorcycles, off-road four-wheelers vehicles, jet skis, and other vehicles equipped with engines or motors for outdoor recreational activities.

Accumulation of Knowledge and Chain of Trust in Machinery Company

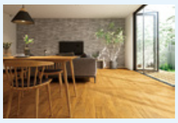
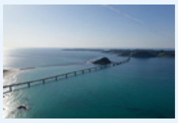
1990s	Started a joint venture with Hitachi Construction Machinery Co., Ltd. in Indonesia
	Began investing in the predecessor company of MULTIQUIP Inc. in the U.S.
2007	Established a finance company with Isuzu Motors Limited in the U.S.
2022	Invested in Hitachi Construction Machinery Co., Ltd.
2023	Established ZAXIS Financial Services Americas, LLC in the U.S., together with Hitachi Construction Machinery Co., Ltd. and Tokyo Century Corporation
2025	Entered into a capital and business alliance with Kawasaki Motors, Ltd. and launched a finance business in North America
	Invested in AICHI CORPORATION



Expanding Infrastructure Business Addressing Social Issues by Enhancing Construction and Building Materials Alliance

We have been strengthening alliances in the construction and building materials sectors in recent years with the aim of reinforcing our value chain and expanding our business into the infrastructure domain. A symbolic example of this strategy is our capital and business alliance with Nishimatsu Construction Co., Ltd. (Nishimatsu Construction), in which we began investing in 2021. At that time, Nishimatsu Construction was seeking to stabilize its management in response to changes in its business environment, including the need to address activist shareholders, and requested our participation as a capital partner. As we aimed to complement and strengthen our entire value chain—from building materials manufacturing and distribution to real estate development, management, and operation—through strategic business investments, we viewed this alliance with Nishimatsu Construction —a leading Japanese contractor with robust execution capabilities and a proven record of joint real estate development with our Company—as an important opportunity to further strengthen and complement our value chain. Since our initial investment, we have realized a variety of synergies, including additional joint real estate development projects, collaboration in the procurement of construction materials and equipment through our Group companies, and cooperation in the renewable energy business. To further accelerate our partnership, we increased our equity share in May 2025, making Nishimatsu Construction an equity-method affiliate.

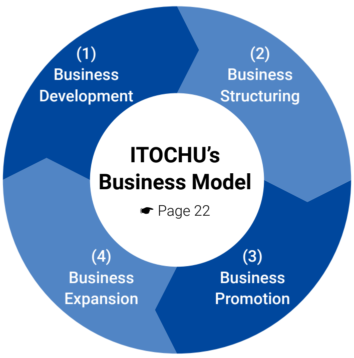
In addition, our construction and building materials alliances include Oriental Shiraishi Corporation, one of Japan's leading bridge manufacturers, with whom we entered into a capital and business alliance in May 2023, and Iwano Bussan Co., Ltd., a company with a long-standing track record in civil engineering materials trading in eastern Japan, which became a wholly owned subsidiary of our Group company, ITOCHU KENZAI CORPORATION, in April 2025. Through alliances with Oriental Shiraishi Corporation—a pioneer in the infrastructure maintenance market such as expressway renovations— Iwano Bussan Co., Ltd.—with its long history as a civil engineering materials trading company in eastern Japan—and Nishimatsu Construction—with advanced civil engineering capabilities— we are contributing to meeting social needs driven by government policies for national resilience, including the renewal of aging social infrastructure and disaster prevention and mitigation. In addition, in this domain, we expect further synergies through cooperation with PASCO Corporation, in which the ICT & Financial Business Company has invested. By utilizing geospatial information, we aim to advance infrastructure monitoring and the maintenance and management of urban infrastructure through horizontal collaboration. Going forward, we will continue to work closely with a diverse range of partners to address social challenges and further enhance our corporate value.

Manufacturing	Distribution	Construction			Real Estate Development & Operation
DAIKEN	ITOCHU KENZAI	Nishimatsu Construction	Oriental Shiraishi	CHUSETSU Engineering	ITOCHU Property Development
Wood-based building materials manufacturer Privatized in 2023	Building materials trading company Acquired Iwano Bussan in 2025	Leading medium-sized general contractor Capital and business alliance in 2021 Became an affiliate in 2025	Civil engineering / bridge general contractor Capital and business alliance in 2023	Facilities engineering / general contractor	Condominium sales
	 Provided by Iwano Bussan			ITOHPIA HOME Detached housing construction	ITOCHU Urban Community Property management

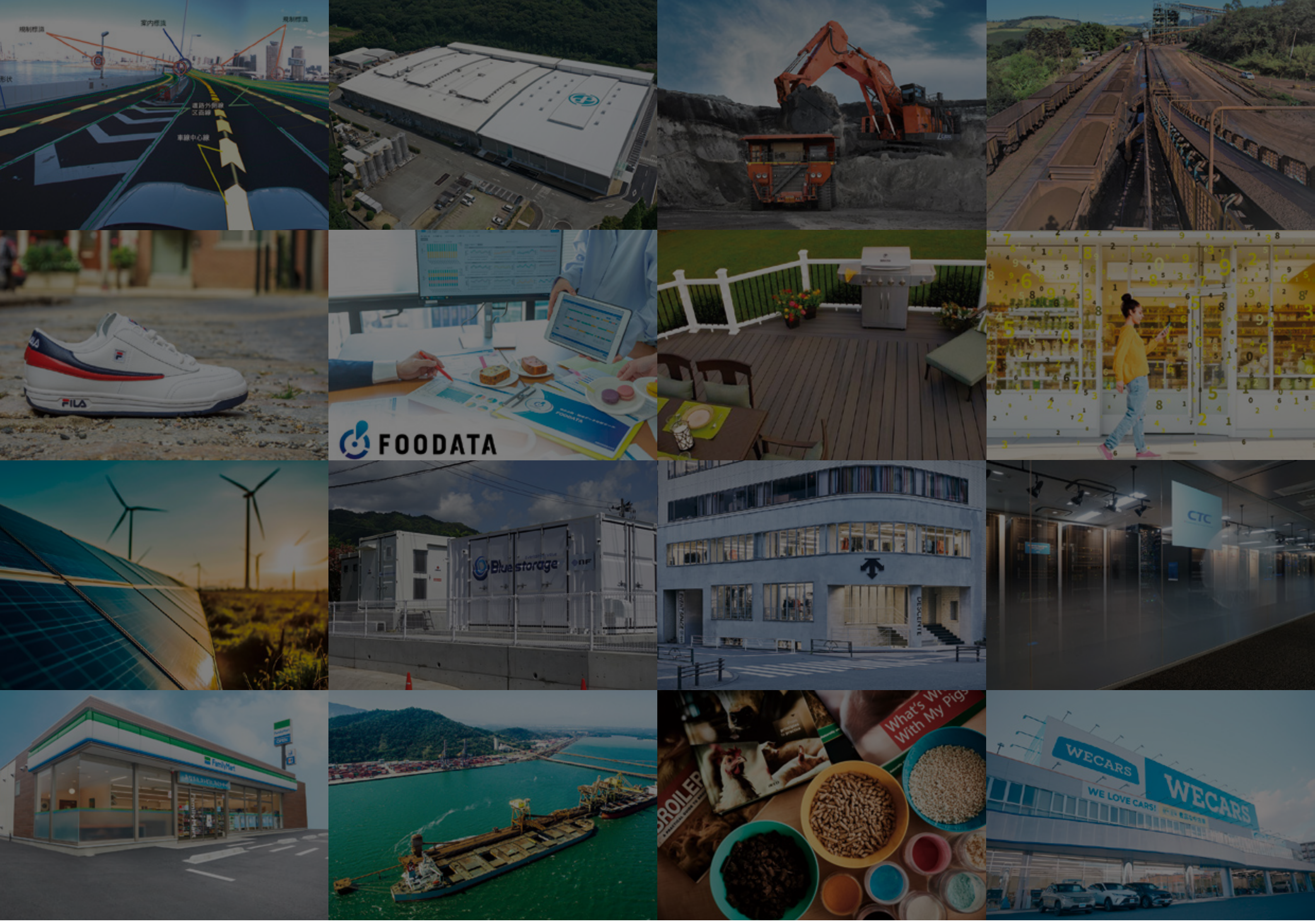
Supporting Problem-Solving as a Business Model and Expanding Our Business Domains

These initiatives have in common the fact that, at a time when industries and companies are going through periods of major change or facing challenges, ITOCHU is proactively working closely with its partner companies to address their management challenges and stepping in to create multifaceted value, such as by participating in management and launching new businesses.

This strategy is founded on a wealth of experience and know-how accumulated over the years through our business model. For example, in 2003 ITOCHU invested in YANASE & CO., LTD., supporting the company through its management crisis caused by deteriorating business conditions since the bubble economy and worsening terms with major business partners, thereby enabling YANASE & CO., LTD. to grow and for ITOCHU to expand into the automotive distribution domain. Our investment in Prima Meat Packers, Ltd. in the same year was aimed at supporting the Company's business turnaround and further strengthening our partnership, as Prima Meat Packers, Ltd. had entered a period of poor performance despite our longstanding collaborative relationship. With respect to NIPPON ACCESS INC., of which we gradually increased our equity share following a capital and business alliance in 2001, we expanded into the food wholesale network in response to a request from the Snow Brand group, its then parent company. This also contributed to strengthening our food distribution business and further reinforced our robust value chain with FamilyMart.



It could be said that we have been able to balance helping leading companies solve their problems with strategically expanding our own value chain. Going forward, we will continue to work with leading partner companies in each industry to create value, enhance the reproducibility of our approach, and expand our business domains, thereby achieving sustainable growth in corporate value.

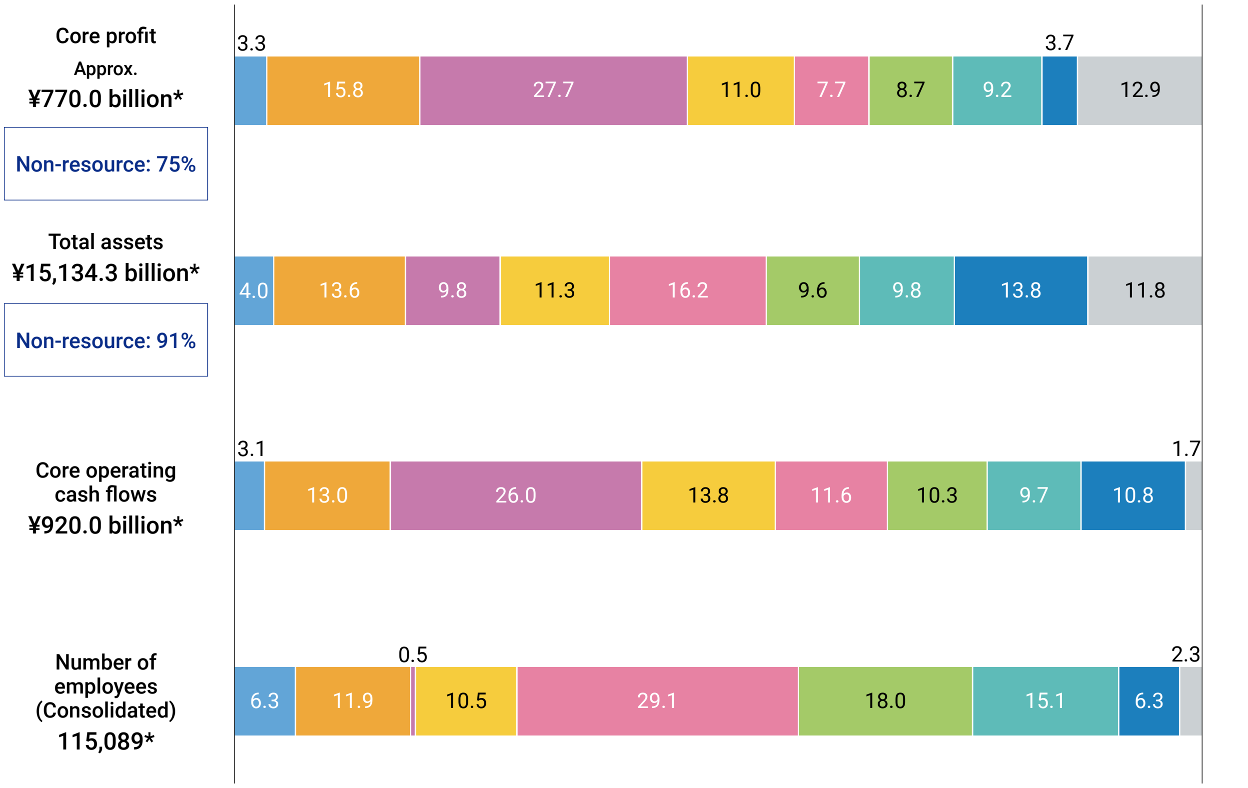


Business Portfolio

Our eight Division Companies serve as drivers of corporate value enhancement, creating new business opportunities across a wide range of business fields every day. In addition to outlining the strengths and growth strategies of each Division Company, we also explain the opportunities and risks associated with the external environment, as well as how various front-line initiatives are connected to our corporate value calculation formula.

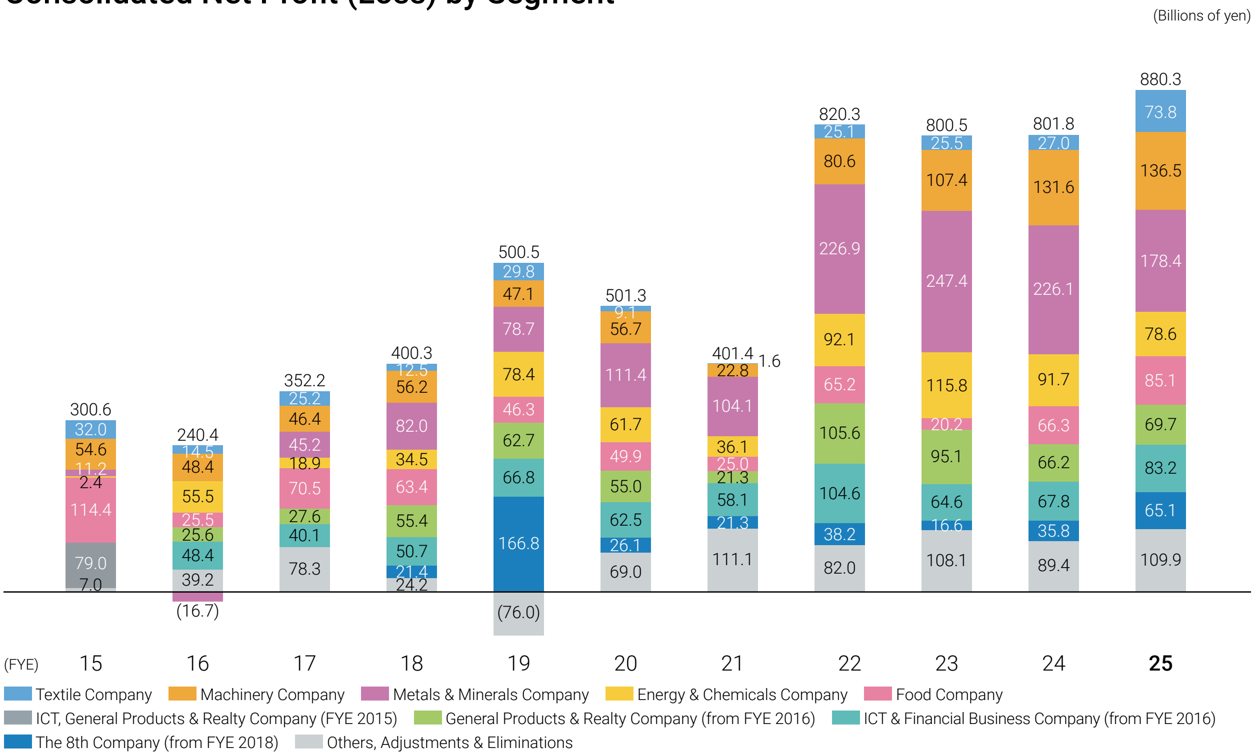
Portfolio Overview

Percentage of the Total for ITOCHU (3-year average)



* The results for FYE 2025 and the end of March 2025

Consolidated Net Profit (Loss) by Segment



* In April 2016, the ICT, General Products & Realty Company was reorganized into the General Products & Realty Company and the ICT & Financial Business Company.
* On July 1, 2019, The 8th Company was established, and ITOCHU began mutual holdings in which The 8th Company was the minority shareholder and the other Division Companies were the majority shareholders. On October 1, 2022, ITOCHU dissolved such mutual holdings. Therefore, the results from FYE 2018 to FYE 2021 have been presented based on the mutual holdings, while the results from FYE 2022 to FYE 2023 have been presented based on the dissolution of the mutual holdings.

Textile Company

Apparel Division / Brand Marketing Division

▶ Quantitative Information (FYE 2025 Results)

Consolidated Net Profit ¥73.8 billion

ROA*1 4.5%

*1 ROA based on core profit

▶ Areas with High Growth Potential

- Expanding sports business centered around DESCENTE LTD., and strengthening the value chain of the footwear business
- Enhancing core brands and improving profitability through the strengthening of directly managed stores

Flagship store of DESCENTE LTD., which became a wholly owned subsidiary in FYE 2025

Footwear from the Italian sports brand FILA

For more details on DESCENTE's growth strategy, please refer to ITOCHU's website:
https://www.itochu.co.jp/en/ir/doc/presentation/

PRESIDENT MESSAGE

Aiming for a Higher Profit Stage

Since the COVID-19 pandemic, we have steadily increased our core profit while adapting to rapidly changing market conditions. Currently, we are focusing on four key areas: (1) Implementing strategic initiatives in the sports, footwear, premium and luxury, and casual areas; (2) Companywide collaboration, not limited to organizational boundaries; (3) Strengthening sustainability initiatives; and (4) Enhancing product competitiveness. With a strategic focus on DESCENTE LTD., which became a wholly owned subsidiary in FYE 2025, we are striving to unlock the next level of revenue growth. As the only general trading company with a specialty in textiles, we will utilize our knowledge to refine our collaborations with outstanding Group companies and brands, and make steady progress toward further growth.

Hideto Takeuchi
President, Textile Company

Since joining the Company, Mr. Takeuchi has been consistently involved in the brand business. He also has extensive experience in leadership roles at apparel retail companies, having previously served as president of JOI'X Corporation, which handles brands such as Paul Smith. He has also contributed to the profit growth of numerous major brands, including Vivienne Westwood, LANVIN, and FILA. A strict hands-on businessman, he still regularly visits stores and exhibitions. Currently in this position since 2023.

Key Macroenvironmental Factors Affecting the Company

P Political / Legal
- Changes in tariffs and trade policies of each country
- Strengthening of environmental regulations on the apparel industry

E Economical
- Trends in domestic apparel consumption
- Economic trends in China
- Increase in inbound consumption

S Social / Cultural
- Strengthening human rights initiatives across the entire supply chain
- Response to natural capital, such as water resources
- Increasing interest in health consciousness and sustainability

T Technological
- Changes in sales channels
- Adoption of digital marketing utilizing generative AI and other technologies
- Emergence of renewable materials and recycling technologies

Key Opportunities
- Expansion of the sports apparel market driven by increasing awareness of health
- Creation of new markets through development of sustainable materials and products

Key Risks
- Growing awareness of the problem for environmental burden from mass production and disposal in the apparel industry
- Increase in supply chain costs due to strengthening of human rights measures

Connection to the Corporate Value Calculation Formula

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

Expand Created Value

At DESCENTE LTD., which became a wholly owned subsidiary in FYE 2025, we are leveraging the full resources of the ITOCHU Group to promote region-specific strategies in Japan, South Korea, and China. We aim to double DESCENTE LTD.'s consolidated net profit at an early stage through enhancement of brand value and increasing the Direct-to-Consumer (DTC) ratio.

Increase Growth Rate

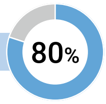
We aim to accelerate further growth by strengthening internal collaboration, such as sharing operational and production expertise that has been cultivated over the years across our diverse portfolio, which includes fashion brands, shoes, and sportswear. We will also expand our overseas business in the textile materials category through collaboration with strategic partners.

Lower Cost of Capital

We are promoting the RENU project, which collects and sorts unwanted textile products to produce recycled polyester. Through these initiatives, we are contributing to the creation of a circular economy in the textile and fashion industries and helping to solve environmental issues while also creating sustainable growth.

Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)



Strengths

- Strong position as the unmistakable leader among general trading companies in the textile industry
- Full-spectrum value chain that includes everything from upstream to downstream operations in the textile industry
- Solid business relationships with strategic partners in each business area in Japan and overseas markets

Apparel

We offer a wide range of products, from raw materials and textiles to apparel accessories and garments, mainly produced in Japan and Asia, with a focus on quality manufacturing.


Brand Marketing

We handle a diverse range of lifestyle brands, from luxury to casual fashion, as well as sports, shoes, bags, and accessories brands.


Textile Materials & Lifestyle

We provide a variety of materials, to the global market from industrial textiles featuring advanced technology and high functionality to nonwoven fabrics for sanitary products such as disposable diapers.


Brand Business

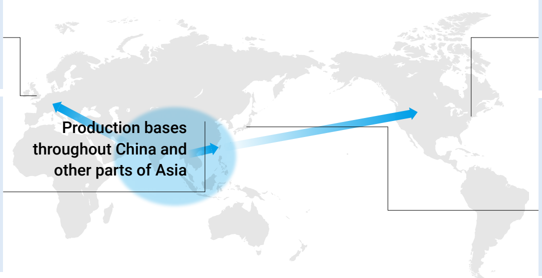
Brand owner

- Participation in management / Trademark rights
  - Primary brands handled: CONVERSE, HUNTING WORLD, Leilian, LeSportsac, DESCENTE, UNDER ARMOUR, OUTDOOR PRODUCTS, Paul Smith, EDWIN
- Exclusive import and distribution rights / Master license rights
  - Primary brands handled: FILA, LANVIN, Reebok, Vivienne Westwood, FRUIT OF THE LOOM

CONVERSE | FILA | Reebok | Leilian | Paul Smith | Vivienne Westwood | LeSportsac

Product planning and sales base for the European market
- ITOCHU Europe

Product planning, production, and sales bases for markets in China and other parts of Asia / Production base for the Japanese, European, U.S., and global markets
- ITOCHU TEXTILE (CHINA)
- ITOCHU Textile Prominent (ASIA)



Product planning and sales base for the North American market
- ITOCHU Prominent U.S.A.

Product planning, production, and sales bases targeting Japanese, Chinese, Asian, and global markets
- EDWIN
- DESCENTE
- UNICO
- Sankei
- DOME
- ROYNE

UNDER ARMOUR

Focusing on the sports-related business

Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

Joint Acquisition of LeSportsac Japan Shares with the Mash Group; Strengthening Collaboration with Leading Partners

In October 2024, in partnership with MASH Holdings Co., Ltd., we jointly acquired shares of LeSportsac Japan Co., Ltd., which is responsible for sales of the U.S. bag brand "LeSportsac" in the Japanese market. By leveraging the Mash Group's product planning capabilities and extensive sales channels, we aim to further accelerate brand growth.

We are also strengthening collaborations with other prominent retailers in our brand business. In March 2025, we announced a partnership with UNITED ARROWS LTD. to develop the Korean lifestyle brand NICE WEATHER in Japan. We also partnered with Adastria Co., Ltd., to jointly acquire shares of KARRIMOR International Ltd., which operates the Japanese business for the British outdoor brand KARRIMOR. By partnering with leading retail companies, we aim to further expand our earnings base by combining our extensive knowledge of the brand business with the expertise of our strategic partners.

A lifestyle brand centered on bags, founded in New York in 1974


LeSportsac representative (at the showroom)

NICE WEATHER shop, Hankyu Umeda Main Store

Machinery Company

Plant Project, Marine & Aerospace Division / Automobile, Construction Machinery & Industrial Machinery Division

▶ **Quantitative Information (FYE 2025 Results)**

Consolidated Net Profit ········ ¥**136.5** billion

ROA*1 ········ **6.4**%

*1 ROA based on core profit

▶ **Areas with High Growth Potential**

- Broadening our earnings base by expanding the North American power business and enhancing our functions in the marine and aerospace sectors
- Strengthening the value chain by overseas partnerships with Japanese manufacturers in the automobile and construction machinery areas


Wind and solar power plants


Mining machinery of Hitachi Construction Machinery Co., Ltd.

PRESIDENT MESSAGE

Expansion of the Earnings Base through Value Chain Extension into Downstream Areas

We are expanding our retail finance business by leveraging Groupwide expertise, including the development of a North American finance business through joint ventures with Hitachi Construction Machinery Co., Ltd. and Tokyo Century Corporation, as well as a North American finance business in partnership with Kawasaki Motors, Ltd.

In addition to a broad global business portfolio, we are strengthening our foundation in diverse business domains, such as enhancing O&M businesses centered on NAES Corporation in the U.S., which provides operations and maintenance services for power plants, and investing in Killick Aerospace Limited, which is located in Ireland and engaged in the aircraft aftermarket business. We are committed to further expanding our earnings base through value chain extension into downstream areas, aiming to achieve record-high profits.

Hiroyuki Tsubai

President, Machinery Company

Mr. Tsubai has mainly been involved in overseas plant construction projects and has contributed to the expansion of ITOCHU's global business, particularly in Nigeria, Thailand, and the Middle East. He served as CEO for three overseas blocs, Middle East, Africa, and Europe, and demonstrated outstanding management as the ITOCHU Group's bloc CEO worldwide. Currently in this position since 2019 and serving as Deputy COO from 2025.

Key Macroenvironmental Factors Affecting the Company

P Political / Legal

- Changes in tariffs and trade policies of each country
- Changes in renewable energy-related legislation
- Security and government spending

E Economical

- Impact of foreign exchange fluctuations
- U.S. economic trends
- Global capital investment trends

S Social / Cultural

- Response to climate change
- Changes in the mobility market (MaaS, etc.)

T Technological

- Technological innovation such as autonomous driving and electrification
- Advances in aviation and aerospace technology

Key Opportunities

- Expansion of power business in response to growing electricity demand
- Creation of new markets due to strengthened environmental regulations, such as ammonia-fueled ships

Key Risks

- Decline in competitiveness of Japanese automakers due to changes in the mobility market
- Decrease in export trade due to higher tariffs

Connection to the Corporate Value Calculation Formula

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

Expand Created Value

In addition to creating synergies through collaboration such as retail finance with Hitachi Construction Machinery Co., Ltd., we are aiming to expand the value chain and earnings base in the automobile and construction machinery areas by collaborating with domestic manufacturers such as Kawasaki Motors, Ltd. and AICHI CORPORATION.

Increase Growth Rate

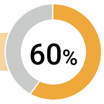
We will expand our North American power business by utilizing the U.S. tax benefits and funds targeting renewable energy power generation assets while taking advantage of the growing demand for electricity in North America due to the spread of AI. We will steadily accumulate high-quality power generation assets and aim to further increase earnings.

Lower Cost of Capital

Toward resolving environmental and social issues, we are advancing large-scale waste-to-energy projects in the U.K., the Republic of Serbia, and the Emirate of Dubai. In addition to proper waste management, we are providing comprehensive solutions to environmental issues through the supply of clean energy and district heating systems utilizing incineration heat.

Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)



Strengths

- Strong business relationships with blue-chip partners and high capabilities in business development in the plant project, marine and aerospace business
- Broad business portfolio encompassing both trading (in automobile, construction machinery, and other areas) as well as business investment in areas such as wholesale, retail, and finance businesses, widely spread in Japan and overseas

Plant / Marine / Aerospace

- Utilizing business development capabilities to promote power, environmental, and infrastructure projects around the world
- Developing ship trading, ship owning business, and offshore projects based on domestic and international partnerships
- Diversifying earnings base in the aerospace sector by engaging in a wide range of business for both commercial and government clients

[Example] North American power business

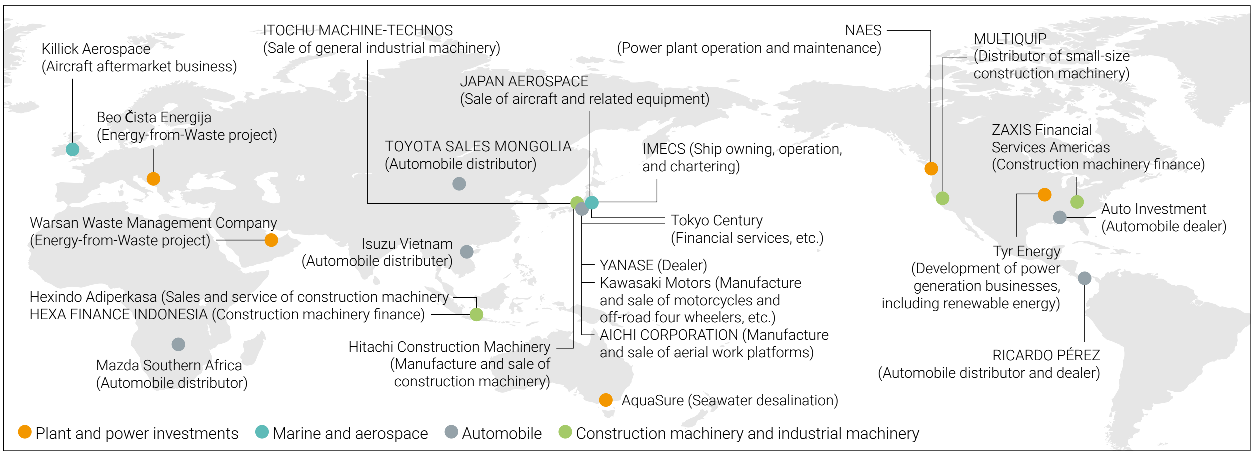
- Promoting power business in North America for over 20 years. Building a system to expand profits throughout the value chain of project development, construction, power generation, and operation and maintenance centered on core Group companies (Tyr Energy / NAES)
- Taking advantage of the growing electricity demand in North America, we will strengthen our efforts in the renewable energy sector, where private-sector demand is strong

Automobile / Construction Machinery / Industrial Machinery

- Expand from a sales-centered business to an ownership business, expanding customer contact points from points to surfaces
- Extend and strengthen the value chain while demonstrating capabilities in downstream areas both in Japan and overseas

[Examples] Value chain extension

- Leasing and maintenance contracted services by ISUZU LEASING SERVICES LIMITED
- Used car sales by ISUZU U-MAX Co., Ltd.
- Entry into the field of aerial work platforms through investment in AICHI CORPORATION
- Entry into the autonomous driving field through investment in Gatik
- Establish North American finance company in joint venture with Hitachi Construction Machinery and Tokyo Century



For more details on the North American power business' growth strategy, please refer to ITOCHU's website.
https://www.itochu.co.jp/en/ir/doc/presentation/

Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

Capital and Business Alliance with Kawasaki Motors, Ltd.

ITOCHU and Kawasaki Motors, Ltd. have maintained a collaborative relationship in the trading business since the 1960s, and ITOCHU conducted a 20% equity investment in Kawasaki Motors, Ltd. as a long-term partner in April 2025. In addition, we jointly established a finance company in the U.S. and launched a retail finance business. Leveraging our expertise in consumer-oriented finance in downstream areas, we focus on collaboration to expand sales of Kawasaki Motors, Ltd.'s motorcycles, off-road four-wheelers vehicles, and jet skis in the U.S., which is in the world's largest power sports*2 market.

Furthermore, by utilizing our capabilities in the automobile business and overseas network, we will promote broad-based collaboration in the global market, striving for further enhancement of corporate value.

*2 Power sports vehicles refer to motorcycles, off-road four-wheelers vehicles, jet skis, and other vehicles equipped with engines or motors for outdoor recreational activities.


Ninja ZX-10R


New model TERYX4 H2

Our company representative stationed at Kawasaki Motors Corp., U.S.A.

Metals & Minerals Company

Metal & Mineral Resources Division

▶ Quantitative Information (FYE 2025 Results)

Consolidated Net Profit ¥178.4 billion

ROA*1 12.3%

*1 ROA based on core profit

▶ Areas with High Growth Potential

- Adding high-quality assets in iron ore and coking coal, etc.
- Engaging in projects that contribute to the realization of a decarbonized society (direct reduced iron, aluminum, hydrogen, ammonia, etc.)

Photo courtesy of BHP

Various green aluminum products which ITOCHU trade

Key Macroenvironmental Factors Affecting the Company

P Political / Legal
- Changes in tariffs and trade policies in each country
- Strengthening of GHG emissions regulations and environmental regulations

E Economical
- Fluctuations in commodity markets
- Crude steel production volumes in China and other countries
- Rising mining operation costs

S Social / Cultural
- Response to climate change and natural capital
- Strengthening of human rights initiatives and labor safety
- Stable procurement of natural resources

T Technological
- Advancement of carbon-neutral technologies such as Carbon Capture and Storage (CCS) and hydrogen, etc.
- Technological innovations such as promoting digital transformation in mining operations and automating mining machinery

Key Opportunities
- Expansion of businesses such as low-carbon direct reduced iron in response to GHG emissions regulations
- Creation of low-carbon energy businesses including hydrogen

Key Risks
- Decline in commodity prices and steel product prices due to economic downturns or overproduction in demand countries
- Drastic decrease in consumption of existing raw materials by widespread of clean energy

PRESIDENT MESSAGE

Securing a Stable Supply of Resources and Contributing to the Environment

In FYE 2025, despite the stagnant market conditions for raw materials and steel products, we leveraged our strength in trading to provide customers with essential raw materials. In iron ore and coking coal existing businesses, we increased our equity stakes and worked with partners to enhance business operations and steadily accumulate profits. Although the business environment remains uncertain, we will focus on improving the operation of our coking coal projects while strengthening the foundations of our existing businesses. Furthermore, we will lay the groundwork for future growth, such as developing a supply chain for low-carbon direct reduced iron in the UAE, to expand our profitability.

Jun Inomata
President, Metals & Minerals Company

Mr. Inomata has mainly been involved in iron ore and coal resource development and has experience of expatriation in Brazil for eight years and Australia for three years. Utilizing an extensive network of relationships, he is actively promoting direct reduced iron projects involving a wide range of value chain participants. After returning from his post in São Paulo in 2020, he took office of COO of the Metal & Mineral Resources Division. Currently in this position since 2024.

Connection to the Corporate Value Calculation Formula

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

Expand Created Value
In FYE 2025, we have steadily expanded our equity ore volume through the further increase of equity stake of the Brazil iron ore business as well as the stable ramp-up of the Western Australia iron ore business with operational optimization and efficiency improvements.

Increase Growth Rate
We are advancing a feasibility study for a low-carbon direct reduced iron supply chain in the UAE. We are building a framework with partners to procure raw materials in Brazil and establish a supply system for Japan and other countries, aiming to enhance value in both contributing to a decarbonized society and expanding our mineral resources business.

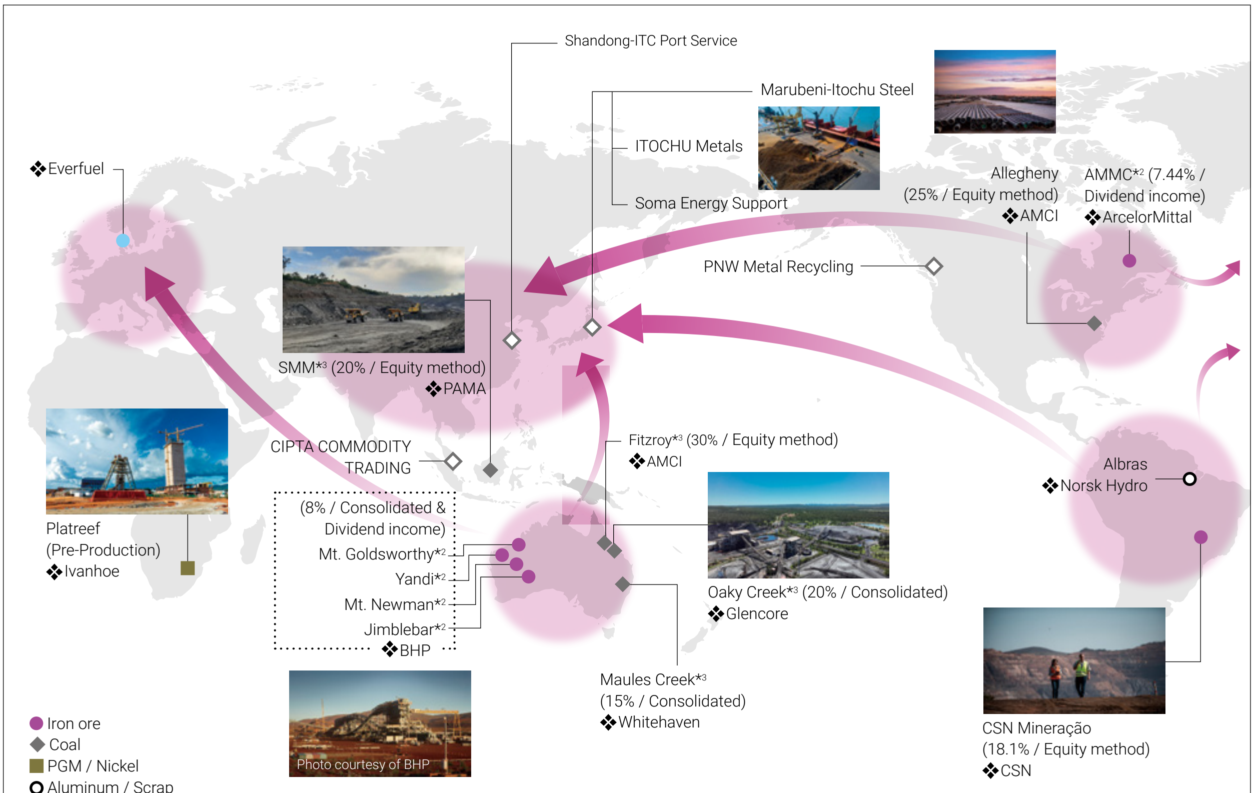
Lower Cost of Capital
ITOCHU Metals Corporation is developing a one-stop industrial waste treatment and management service and metal recycling business utilizing a nationwide recycling network in Japan. Procuring and supplying scrap as a low-emission steel material contributes to building a circular economy.

Strengths and Business Domains

Percentage of Earnings from Business in Japan (image) 10%

Strengths

- Ownership and development of superior natural resource assets, in particular iron ore and coking coal
- Strong and long-term relationships with blue-chip partners in each business area
- Broad-ranging trade flows that run from upstream (metal and mineral resources, metal materials) to downstream (steel and non-ferrous products)



*2 IMEA Iron Ore
*3 IMEA Coal
IMEA (ITOCHU Minerals & Energy of Australia Pty Ltd): Manage the development of metal and mineral resources
* The equity interest ratios stated for each holding are as of the end of March 2025.

Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

Additional Investment in a Highly Efficient and Cost-Competitive Brazilian Iron Ore Business

We made an additional investment in CSN Mineração S.A. (CM), a leading Brazilian iron ore supplier, in which we jointly participate with Companhia Siderúrgica Nacional, one of the major Brazilian steel makers, increasing our equity stake to approximately 18%. CM is based on one of the world's largest iron ore mines, and has built an integrated operations system with all of the important infrastructure, including railways, ports, and ore-dressing facilities, enabling it to produce efficiently and cost-competitively. In addition, the high-grade iron ore produced at this mine will be used as a raw material for the direct reduction method, which significantly reduces CO_2 emissions in the steelmaking process. By deepening its collaborative relationship with CM and strengthening its system for stable supply of high-grade iron ore, we will play a part in building a low-carbon reduced iron supply chain that is being promoted with partner companies in the UAE, aiming to increase added value and further expand profits.


MRS railway and conveyor belt


Terminal at Port Itaguaí


On-site representatives at the Casa de Pedra mine

Energy & Chemicals Company

Energy Division / Chemicals Division / Power & Environmental Solutions Division

Quantitative Information (FYE 2025 Results)

Consolidated Net Profit ¥78.6 billion

ROA*1 4.6%

*1 ROA based on core profit

Areas with High Growth Potential

- Expanding business in core Group companies such as ITOCHU CHEMICAL FRONTIER Corporation and C.I. TAKIRON Corporation
- Investment in utility scale energy storage and expansion of business in peripheral areas

C.I. TAKIRON Corporation Ibogawa Plant

Grid-scale battery storage

PRESIDENT MESSAGE

Strengthening the Value Chain through Growth Investments and Accelerating the Growth of Existing Businesses through Hands-On Management

We engage in trading and business investments across the energy, chemicals, and electric power businesses, including renewable energy. We will achieve solid growth by making maximum use of our value chain centered on upstream energy interests, midstream chemical manufacturing companies such as C.I. TAKIRON Corporation, and downstream strengths such as ITOCHU ENEX CO., LTD., as well as our global trading network. In FYE 2026, we will further accelerate our growth through M&A of peripheral businesses by C.I. TAKIRON Corporation, which has been privatized.

Masaya Tanaka

President, Energy & Chemicals Company

Since joining the Company, Mr. Tanaka has been engaged in the chemicals-related business and has experience working in Korea. He has promoted business while valuing connections with local business partners. He also has experience working as a staff in the planning department, and places great importance on teamwork and listens to the opinions of those around him. Currently in this position since 2021.

Key Macroenvironmental Factors Affecting the Company

P Political / Legal

- Changes in tariffs and trade policies of each country
- Strengthening of GHG emissions regulations and environmental regulations
- Strengthening economic sanctions against interest-holding countries

E Economical

- Commodity market fluctuations
- Restructuring of the domestic petrochemical industry

S Social / Cultural

- Response to climate change
- Increasing needs for environmentally friendly products
- Increasing health consciousness and focus on quality of life

T Technological

- Innovation in renewable energy and energy storage technology
- Accelerating decarbonization of energy sources and next-generation power transmission and distribution infrastructure

Key Opportunities

- Developing new markets through innovation in renewable energy and energy storage technologies
- Increase in new M&A opportunities due to restructuring in the domestic petrochemical industry

Key Risks

- Suspension of existing businesses due to strengthening economic sanctions
- Decreasing demand in some businesses due to stricter environmental regulations

Connection to the Corporate Value Calculation Formula

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

Expand Created Value

By mutually utilizing the management resources of the ITOCHU Group at C.I. TAKIRON Corporation, which was privatized in FYE 2025, we aim to further expand our profitability by leading industry restructuring through M&A, strengthening sales and marketing capabilities by restructuring distribution and sales, and accelerating the expansion of overseas business, which is expected to grow.

Increase Growth Rate

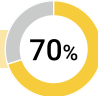
In addition to trading raw materials for generic drugs at ITOCHU CHEMICAL FRONTIER Corporation, we are aiming to expand the life science business through investments in Maypro Group LLC in the U.S., which develops, manufactures, and markets health food ingredients.

Lower Cost of Capital

By building a value chain in the next-generation electricity area in the Power & Environmental Solutions Division and expanding the handling of renewable fuels such as SAF in the Energy Division, we aim to contribute to the realization of a decarbonized society and also strengthen our position in the environmental business.

Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)



Strengths

- Development and trading of eco-friendly energy through collaborations with blue-chip business partners
- Robust Group companies and overseas networks that support a wide range of areas in the chemicals sector, ranging from basic products to retail-related products
- Comprehensive value chain in the next-generation power sector consisting of both business investments and trade businesses

Energy

Oil & Gas project
- ACG Project (❖BP / Azerbaijan)
- BTC Project (❖BP / Azerbaijan)
- West Qurna-1 Project (❖PetroChina / Iraq)
- Eastern Siberia Project (❖INK-Zapad / Russia)
- Sakhalin-1 Project*2 (Russia)
- QatarEnergy LNG S(1) Project*2 (Qatar)
- Oman LNG Project*2 (Oman)
- Qalhat LNG Project*2 (Oman)

❖Operator

Petroleum / LPG wholesale and retail
- ITOCHU ENEX (Petroleum products wholesaler, retail, power and heat supply)
- ITOCHU PETROLEUM SINGAPORE (Energy trading / Singapore)
- Isla Petroleum & Gas (LPG wholesale and retail / Philippines)
- HINDUSTAN AEGIS LPG (LPG receiving terminal / India)


Renewable fuel business / New-energy business
- Raven*2 (Producer of renewable fuel derived from municipal solid waste / the U.S.)
- Blue Laser Fusion*2 (Fusion energy development / the U.S.)

Chemicals

Production
- C.I. TAKIRON (Synthetic resin products)
- BRUNEI METHANOL (Basic chemicals / Brunei)
- Aquafil*2 (Nylon recycling / Italy)


Chemicals trading
- ITOCHU CHEMICAL FRONTIER (Fine chemicals, pharmaceuticals)
- ITOCHU PLASTICS (Food packaging materials, electrical materials, and synthetic resin trading)
- ITOCHU Plastics (Synthetic resin materials / Singapore)


Retail-related business
- ITOCHU Retail Link (Daily necessities, commercial materials)
- Sanipak Company Of Japan (Daily life-related materials)
- REMEJE PHARMACEUTICALS (Pharmaceuticals / China)
- Maypro Group (Functional food ingredients / the U.S.)

Power & Environmental Solutions

Renewable energy
- Aoyama Solar (Renewable energy development)
- iGRID SOLUTIONS (Distributed renewable energy business)
- Clean Energy Connect (CEC)*2 (Supplier of green energy to companies)

Energy storage systems (ESS) / Next-generation business
- GridShare Japan (Battery optimal control AI)
- 24M Technologies*2 (Development and manufacture of semisolid lithium-ion batteries / the U.S.)
- TRENDE (Peer-to-peer power trading)
- GI Energy Storage Management (Energy storage fund management)

Energy storage plant

Energy solution
- UON (Off-grid power solutions / Australia)
- Aoyama Energy Service (Heat supply)

*2 Non-affiliated companies

Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

Accelerating Sales and Business Expansion into Overseas Markets Following the Privatization of C.I. TAKIRON Corporation

ITOCHU has privatized C.I. TAKIRON Corporation, which has been an important partner for many years and has had business relationships such as supplying raw materials and selling its products, as well as personnel exchanges through the dispatch and acceptance of seconded employees. We will maximize the management resources of the ITOCHU Group to promote the further growth of C.I. TAKIRON Corporation.

The market environment surrounding C.I. TAKIRON Corporation is changing due to the maturation of the domestic market for construction materials and films business, as well as the localization of the high-functional materials industry, such as plates for semiconductor equipment, and it has become essential for the company's growth to expand sales and business into overseas markets. We aim to further expand our business by combining our management resources, such as our global network, our customer and information gathering capabilities, as well as our human resources and know-how in M&A, with the technology that C.I. TAKIRON Corporation has developed in the domestic market.

Polycarbonate resin panel

Non-slip flooring material with a high market share

Headquarters of C.I. TAKIRON Corporation
Employees of ITOCHU, including those seconded

Food Company

Provisions Division / Fresh Food Division / Food Products Marketing & Distribution Division

▶ Quantitative Information (FYE 2025 Results)

Consolidated Net Profit .... ¥85.1 billion

ROA*1 .... 3.1%

*1 ROA based on core profit

▶ Areas with High Growth Potential

- Strengthening functions and competitiveness in the food distribution field by leveraging Group capabilities
- Improving profitability by expanding transactions of high-value-added raw materials

Digital transformation (DX) support services in the food product planning and development domain (FOODATA)

High-value-added raw materials (premix)

PRESIDENT MESSAGE

Strengthening Market-Oriented Collaboration between Production and Sales through New Investments and Ongoing Turnaround of Group Companies

In FYE 2025, in addition to the turnaround of HYLIFE GROUP HOLDINGS LTD., a Canadian pork business, we have achieved an improvement in our core profit due to the strong performance of ITOCHU's trade business and NIPPON ACCESS, INC. On the other hand, issues remain with Dole International Holdings, Inc. and FUJI OIL CO., LTD.'s U.S. chocolate business, and we recognize that a fundamental turnaround is urgently needed. In addition, in a situation where various changes are occurring in the global food supply chain, such as the "Reiwa rice shortage" and Trump tariffs, we will optimize our value chain by responding flexibly and quickly to changes. Furthermore, we will accelerate the improvement of our profitability through new initiatives based on a market-oriented perspective, mainly in the food distribution business.

Shuichi Miyamoto

President, Food Company

Since joining the Company, Mr. Miyamoto has consistently worked in the food area, with a total of 11 years stationed in Asia and Oceania. His experience covers a wide range of areas, from food ingredients to fresh products and retail distribution. While his career has been largely global, he was also engaged in domestic sales during his secondment to ITOCHU Food Sales and Marketing Co., Ltd. His mottoes are "Adapt to Change" and "TRUE GRIT." Currently in this position since 2023.

Key Macroenvironmental Factors Affecting the Company

P Political / Legal

- Strengthening of food safety regulations
- Changes in tariffs and trade policies of each country
- Ongoing 2024 logistics issue of driver shortages —the cap on truck drivers' overtime hours starting from 2024—

E Economical

- Domestic consumption trends
- Inflation and rising costs of raw materials

S Social / Cultural

- Increase in health consciousness and ensuring food safety
- Strengthening efforts for human rights throughout the supply chain
- Response to climate change and natural capital

T Technological

- Optimization of the supply chain and support for product development using AI
- Development of new products utilizing plant-based proteins, etc.
- Enhancement of traceability through blockchain technology

Key Opportunities

- Expanding earnings through product development support using DX and improved logistics efficiency
- Creation of new markets, including health foods and plant-based proteins

Key Risks

- Deterioration of profitability in food manufacturing and processing businesses due to rising raw material costs
- Decline in production of primary commodities due to climate change, pests, and infectious diseases

Connection to the Corporate Value Calculation Formula

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

Expand Created Value

We achieved a turnaround at HYLIFE GROUP HOLDINGS LTD. through comprehensive cost reduction and sales expansion. In addition to rebuilding Dole International Holdings, Inc. and FUJI OIL CO., LTD.'s U.S. chocolate business, we will strengthen our earning power by expanding products and services based on a market-oriented perspective.

Increase Growth Rate

In the food distribution area, we aim to further strengthen our competitive advantage by expanding our business base and market share using digital technologies, such as supporting product development for manufacturers and retailers through FOODATA, and streamlining logistics by optimizing store orders based on demand information.

Lower Cost of Capital

We are developing sustainable food sources through initiatives such as the plant-based food brand "wellbeans," which uses beans with a low environmental burden as raw materials. By providing ingredients focused on "taste," "material," "health," and "environment," we contribute to improving the sustainability of food.

Strengths and Business Domains

Percentage of Earnings from Business in Japan (image) **80%**

Strengths

- Top-class food distribution and retail network
- Worldwide network of production, distribution, and sales value chain for fresh foods (marine, meat, and agricultural products)
- Global supply chain for food resources

Food Resources & Ingredients

Food resources

◆ ITOCHU (Import and sale of cacao, sugar, etc.)

■ CGB Enterprises
(Grain collection, soybean processing, and logistics / the U.S.)

■ Quality Technology International
(Sale of functional feed / the U.S.)

■ UNEX (GUATEMALA)
(Manufacturing and export of coffee / Guatemala)

Food Production & Processing

◆ WELLNEO SUGAR
(Production, processing, and sale of sugar)
- **No. 2** share of the Japanese market

WELLNEO SUGAR Co.,Ltd.

◆ ITOCHU FEED MILLS (Production and sale of compound feed and eggs)

◆ JAPAN NUTRITION (Production and sale of functional feed)

◆ FUJI OIL (Development, manufacture, and sale of vegetable oils and industrial chocolate)

- Industrial chocolate
No. 1 share of the Japanese market
No. 3 share of the global market
- Soybean protein (soybean meat raw material)
No. 1 share of the Japanese market

Food Marketing & Distribution

◆ ITOCHU Food Sales and Marketing (Import, wholesale, and sale of raw materials for food products)

◆ ITOCHU-SHOKUHIN (Wholesale and distribution of liquors and food products)

◆ NIPPON ACCESS
(Wholesale and distribution of foods, etc.)

- General wholesalers for convenience store and general merchandise stores **No. 1 net sales** among Japan's food wholesale industry **498** distribution locations

■ SHANGHAI ZHONGXIN*2
(Wholesale and distribution of foods / China)

■ BIX*2
(Wholesale and distribution of foods / China)

Fresh food

■■ Dole (Asian fresh produce business and packaged foods business)
- **No. 1** share of the U.S. market for canned pineapple and pineapple juice

■ HYLIFE GROUP HOLDINGS
(Hog farming and pork production and sales)

- Integrated pork production meat value chain (Canada)

◆ Prima Meat Packers (Processed foods and meat business)

PRIMA MEAT PACKERS, LTD.

- **No. 1** share of the Japanese market for ham and sausages

■ YANTAI LONGRONG FOODSTUFFS
(Production and sale of processed meat products / China)

■ ANEKA TUNA INDONESIA
(Production and sale of canned and pouched tuna / Indonesia)

Region legend: ◆ Japan ■ North America ■ China and other Asian countries ■ Other countries

*2 Non-affiliated companies

Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

Stable Supply of "Mocha" Coffee and Support for Next-Generation Development in Ethiopian Coffee-Producing Regions

In recent years, coffee-producing regions have been facing the "Coffee 2050 Problem*3," which includes declining production due to climate change, pests, and diseases, as well as a decrease in the number of producers due to economic hardship. This poses significant challenges for the long-term stable supply of coffee to customers and consumers, including FamilyMart. We are widely engaged in the import and sale of coffee beans, including supplying to FAMIMA CAFÉ counter coffee, one of FamilyMart's most popular flagship offerings.

Among the FAMIMA CAFÉ lineup, the specialty coffee Mocha Blend has received high praise from our customers for its carefully selected coffee beans ingredients and meticulous roasting. In collaboration with FamilyMart, we made donations to Ethiopia, where "Mocha" is produced, based on the number of Mocha Blends and Iced Mocha Blends sold. In cooperation with the Embassy of Japan in Ethiopia, we built toilets for local junior and senior high schools and purchased educational materials to preserve and pass on the history and culture of coffee. Through this initiative, we aim to contribute to improving education and sanitation in Ethiopia, while also strengthening our response to the "Coffee 2050 Problem" and procuring and supplying sustainable coffee beans.

*3 There is concern that, by 2050, the area suitable for cultivating arabica coffee beans, which accounts for approximately 60% of global coffee production, could be reduced by half.

Supporting Ethiopian producers through FAMIMA CAFÉ

Coffee bean production areas in Ethiopia

Coffee section staff in charge of trading "Mocha"

General Products & Realty Company

Forest Products, General Merchandise & Logistics Division / Construction & Real Estate Division

▶ **Quantitative Information (FYE 2025 Results)**

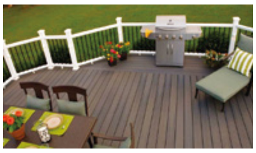
Consolidated Net Profit .... ¥**69.7** billion

ROA*1 .... **3.8**%

*1 ROA based on core profit

▶ **Areas with High Growth Potential**

- Expanding functions and strengthening profitability in the North American construction-materials business with DAIKEN CORPORATION and acquisitions of competitors
- Strengthening and expanding public-private partnership projects
- Rebuilding of WECARS Co., Ltd.



New entry into the outdoor living business

The newly renovated WECARS Co., Ltd. store

PRESIDENT MESSAGE

Relentless Pursuit of Realizing Enriched Lifestyles: Strengthening the Earnings Base by Proactive Business Investments and Hands-On Management

We are building a business foundation centered on products and services that support daily life, including the mobility business in Europe, the real estate development business both in Japan and overseas, and the building materials business in North America, including residential fences and wooden decks. We are expanding our business domain by accurately capturing consumer needs through a variety of customer contact points.

In recent years, in response to social issues such as aging infrastructure and the trend toward national resilience plans, we have been strengthening our profitability by expanding alliances in peripheral businesses related to construction and building materials, including a capital and business partnership with Nishimatsu Construction Co., Ltd. We are also fully committed to the rebuilding of WECARS Co., Ltd. in collaboration with other Division Companies.

Through proactive business investment and thorough hands-on management as a "trading company-style PE model," we will continue to strengthen our earnings base in each business area.

Masatoshi Maki
President,
General Products & Realty Company

Since joining the Company, Mr. Maki has demonstrated his skills in a wide range of fields in the construction and real estate industries. Through outstanding leadership, he has won the trust of partners and expanded real estate operations both domestically and overseas. During his posting in China, he oversaw not only real estate but the entire general products & realty area. He leverages his extensive practical experience to promote strategies from a global perspective. Currently in this position since 2022.

Key Macroenvironmental Factors Affecting the Company

P Political / Legal
- Changes in tariffs and trade policies of each country
- Changes in monetary and housing-related policies in each country
- National resilience, disaster prevention, and mitigation policies

E Economical
- Economic trends in the U.S., Europe, and China
- Interest rates, real estate market conditions and housing starts in each country
- Commodity and raw material market trends (pulp, wood, etc.)

S Social / Cultural
- Response to climate change and natural capital (forest resources, etc.)
- Increased demand for maintenance and renewal due to aging infrastructure
- Growing interest in traceability

T Technological
- Application of digital transformation in each business field (construction, logistics, mobility)
- Enhancement of traceability using blockchain technology

Key Opportunities
- Expansion of rebuilding, repair, and maintenance businesses due to aging infrastructure
- Increase in M&A opportunities in North America amid concerns over a U.S. economic downturn

Key Risks
- Shrinking building materials business in Japan due to population decline
- Prolonged downturn in the U.S. housing market due to persistently high interest rates

Connection to the Corporate Value Calculation Formula

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

Expand Created Value

Promoting profit growth and strengthening the value chain in the North American construction-materials business through expanding synergies between the North American construction-materials business and DAIKEN CORPORATION, as well as strengthening manufacturing and wholesale functions through M&A.

Increase Growth Rate

Through strengthening and expanding alliances in the construction and building materials business, such as capital and business alliances with Nishimatsu Construction Co., Ltd. and Oriental Shiraishi Corporation, we aim to expand growth in the infrastructure business domain by meeting the growing needs for responding to social issues, such as national resilience, infrastructure renewal, and regional revitalization.

Lower Cost of Capital

Utilizing our proprietary blockchain-based traceability system, we procure natural rubber with origin information through returning a portion of sponsored tire sales to small-scale farmers, and through on-site training and productivity improvement activities conducted by PT. Aneka Bumi Pratama in Indonesia, we will promote the sustainable production and spread of natural rubber. (☛ Page 52 Initiatives to Promote Sustainability Across the Value Chain)

Strengths and Business Domains

Percentage of Earnings from Business in Japan (image)

Strengths

- Accumulated M&A expertise and hands-on management talent deeply involved in business operations
- Core Group companies forming robust and high-quality value chains
- Stable real estate development leveraging the diverse network unique to a general trading company

Building Materials & Wood Products

North American construction materials business

- Development of **a robust value chain**

■ ITOCHU Building Products Holdings
　■ MASTER-HALCO (Manufacture and wholesale of fences)
　■ Alta Forest Products (Manufacture of wooden fences)
　■ US Premier Tube Mills (Manufacture of pipes for fences)
■ CIPA Lumber (Manufacture of veneer)
■ Pacific Woodtech (Manufacture of laminated veneer lumber)

◆ ITOCHU KENZAI (Wholesale of wood products and building materials)
◆ DAIKEN (Manufacture and wholesale of building materials)

Mobility / Goods & Materials

■ European Tyre Enterprise

- Conducts the operations of Kwik-Fit, the U.K.'s **largest tire retailer**

◆ WECARS (Retail chain of used vehicles)
◆ Nalnet Communications (Vehicle maintenance management services)
◆ ITOCHU CERATECH (Manufacture of molding sand, ceramic-based catalyst for hydrogen production, and other ceramic raw materials and products)
■ Aneka Bumi Pratama (Processing of natural rubber / Indonesia)

Pulp / Paper / Hygiene Materials

■ Metsä Fibre (Finland)

- **One of the world's largest** manufacturers of commercial softwood pulp
- Pulp production capacity: Approx. 4.0 million tons per year

◆ ITOCHU Pulp & Paper (Wholesale of paper, paper board, and processed paper products)

Development & Operation of Real Estate

◆ ITOCHU Property Development

- Development of condominiums (CREVIA series)
- Development of profit-earning real estate

◆ ITOCHU Urban Community (Management of condominiums, rental apartments, and office buildings)
◆ ITOCHU HOUSING (Real estate agent and property consultant)
◆ ITOCHU REIT Management (Management of REITs and funds)
◆ CENTURY 21 REAL ESTATE OF JAPAN (Real estate franchise operation)
◆ ITOHPIA HOME (Planning and construction of detached houses)
◆ CHUSETSU Engineering (Planning and construction of plants, logistics facilities, etc.)
◆ IZU-OHITO DEVELOPMENT (Golf course management)
◆ Paraca (Business and operational management of parking lots)

◆ Nishimatsu Construction (Construction business, real estate-related business, etc.)
◆ Oriental Shiraishi*2 (Maintenance and repair of bridges, etc.)

Overseas businesses

■ Condominium and detached house leasing business (the U.S.)
■ KARAWANG INTERNATIONAL INDUSTRIAL CITY (Indonesia)
■ Saigon Sky Garden (Serviced apartments / Vietnam)

Logistics

◆ ITOCHU LOGISTICS

- Comprehensive logistics services (Freight forwarding, warehousing, trucking, and distribution centers)

■ ITOCHU LOGISTICS (CHINA) (Comprehensive domestic logistics services in China)

Region legend: ◆ Japan ■ North America ■ The U.K. and Europe ■ China and other Asian countries

*2 Non-affiliated companies

Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

Rebuilding of WECARS Co., Ltd.: Initiatives to Become an Industry Leader

We established WECARS Co., Ltd. in May 2024 and took over the used car sales and maintenance business of the former BIGMOTOR Co., Ltd. Our biggest goal for WECARS Co., Ltd. is to be a company that is trusted and appealing by sincerely engaging with both our customers and society under the concept of "customer first." We have dispatched over 70 personnel from our Group, from management to the front lines, to build a robust governance system that places the utmost importance on compliance, in an effort to restore trust.

By combining the comprehensive strength of our Group with our industry-leading repair shops, auto body and paint shops, and a nationwide network of approximately 240 stores (as of June 2025), we aim to provide safety and security to car users and become a leading company in the used car industry.

WECARS Co., Ltd. launched with a new brand logo

The familiar "Singing Signboard" from TV commercials

Our dispatched employees at WECARS Co., Ltd. headquarters

ICT & Financial Business Company

ICT Division / Financial & Insurance Business Division

▶ Quantitative Information (FYE 2025 Results)

Consolidated Net Profit ············ ¥83.2 billion

ROA*1 ············ 5.7%

*1 ROA based on core profit

▶ Areas with High Growth Potential

- Strengthening the digital value chain centered around CTC
- Expanding overseas business in the retail finance and insurance areas
- Expanding the business foundation in growth areas such as space and satellite, healthcare, circular economy-related business, etc.

Promotion of digital transformation (DX) support by accurately capturing IT demand

Investment in Thaivivat Insurance PCL, a non-life insurance company in Thailand

PRESIDENT MESSAGE

Capturing DX Demand through the Digital Value Chain and Building an Earnings Base in Finance and Insurance

We are promoting a digital value chain strategy centered around CTC, capturing strong demand for domestic IT investment and steadily expanding our business in the information and communications areas. We will continue to promote businesses that respond to the trend of DX, and will rapidly adopt new technologies such as generative AI to further expand our business. In the finance and insurance area, we will actively invest in the retail sector, primarily in HOKEN NO MADOGUCHI GROUP INC. and Gaitame.Com Co., Ltd., in order to build up core profits. In addition, we will leverage our knowledge and capabilities to contribute to accelerating the transformation and growth of a wide range of businesses and projects, including other Division Companies.

Shunsuke Noda
President,
ICT & Financial Business Company

Since joining the Company, Mr. Noda has been involved in the information and communications business, was seconded to CTC*2, and has been involved in the development of the internet business since the dawn of the internet era. He has served as President and Representative Director of Excite Japan Co., Ltd., General Manager of the Corporate Planning & Administration Division, and as CSO, CDO • CIO, contributing to the overall management of ITOCHU by promoting DX throughout the ITOCHU Group. After serving as President and Representative Director of Bellsystem24, currently in this position since 2024 and serving as Deputy COO from 2025.

*2 Company name at the time: ITOCHU Techno-Science Corporation

Key Macroenvironmental Factors Affecting the Company

P Political / Legal

- Strengthening of Money Lending Business Act and maximum interest rate regulations
- Introduction of next-generation communications standards

E Economical

- IT investment trends
- Changes in interest rate policies in various countries
- Shortage of human resources (medical, IT, consulting, BPO industries, etc.)

S Social / Cultural

- Expansion of cloud computing utilization and data utilization
- Increasing importance of cybersecurity
- Expanding the circular economy

T Technological

- Advances in generative AI and IoT technologies
- Growth of fintech and insurtech

Key Opportunities

- Increase in related businesses due to the expansion of generative AI usage
- Expansion of related businesses driven by domestic IT investment and DX

Key Risks

- Loss of business opportunities due to a shortage of engineers in Japan
- Decline in profitability of overseas financial businesses due to lower maximum interest rates in various countries

Connection to the Corporate Value Calculation Formula

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

Expand Created Value

By accurately capturing robust domestic demand for AI investments, CTC, which was privatized in FYE 2024, achieved a significant increase over the previous record-high profit. CTC has continuous strong orders and is expected to achieve a record-high profit for the second consecutive year.

Increase Growth Rate

We are strengthening our digital value chain by establishing a joint venture with Boston Consulting Group and entering into capital and business alliances with our Group of digital businesses. We aim to strengthen CTC's upstream project acquisition, capture demand in high-growth areas, and further expand our business base.

Lower Cost of Capital

We will strengthen the distribution business of used mobile devices, including through Belong Inc., which operates an online distribution business for used mobile devices in Japan, and the used mobile phone trading business in North America, in order to respond to changing consumer needs while contributing to the efficient use of resources and reducing the environmental burden.

Strengths and Business Domains

Percentage of Earnings from Business in Japan (image) **90%**

Strengths

- Earnings base and synergies, driven by Group companies with leading scale and presence in the Japanese domestic ICT field
- Development of retail businesses together with market-driving core Group companies in the financial and insurance business
- Network of start-ups and leading-edge companies in Japan and overseas through relationships with top-tier venture capital firms in North America, Europe, and other regions

Cross-Functional Business

Digital Value Chain

Comprised of companies with high expertise in various areas, centered around CTC, one of Japan's leading system integrators

Consulting & Data Analysis	Business Designing & Marketing	IT Service & Cloud	Operational Improvement & BPO
I&B CONSULTING, SIGMAXYZ	ITOCHU INTERACTIVE, AKQA uka	CTC Challenging Tomorrow's Changes, WingArc 1st	Bell System24

Venture Investment & Incubation

Long-term investment track record in leading domestic and global VCs

ITV ITOCHU TECHNOLOGY VENTURES, ITC Venture Partners

Risk Consulting & Reinsurance

Covering insurance brokerage, reinsurance and credit guarantees

伊藤忠オリコ保険サービス, Cosmosリスクソリューションズ Cosmos Risk Solutions, NEWGT Reinsurance

Specialized Domain

Healthcare	Satellite & IP Content	Mobile	Retail Finance & Insurance
Implementing data business centered on CRO and medical equipment sales	In addition to space and satellite businesses, developing geospatial information and IP businesses	Strengthening the used mobile phone distribution business by utilizing the network and knowledge cultivated over many years	Aim to grow core business companies that have a strong presence in each industry and region
A2 Healthcare, Century Medical, Inc., TXP Medical	SKY Perfect JSAT, PASCO, R&B Asia	belong, asurion	ほけんの窓口, GAITAME.COM, POCKETCARD CO.,LTD., EASY BUY, UA FINANCE 亞洲聯合財務, First Response

Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

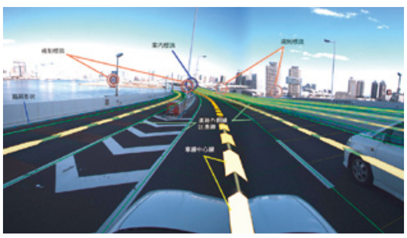
Privatization of PASCO Corporation, the Largest Domestic Surveying Service Provider, through a Joint TOB with SECOM CO., LTD.

We acquired 25% of the shares of PASCO Corporation, which handles a wide range of geospatial information, through a tender offer (TOB) conducted jointly with SECOM CO., LTD. from September 2024, in order to further enhance the non-communications area of our satellite business.

As technological advances such as miniaturization of satellites and reduction in launch costs continue, the data that can be obtained from satellites is becoming more diverse. In addition to traditional communications satellite services, we will also focus on initiatives that utilize this data.

The geospatial information obtained through Earth observation can be used to improve the efficiency of customers' operations and DX, as well as autonomous driving in the future. By collaborating with our Group of digital businesses, we aim to further expand our earnings base by providing a comprehensive service from data acquisition to data processing and analysis.

Accumulating a wealth of geospatial information using satellites, vehicles, aircraft, etc.



3D maps for autonomous driving

Seconded to PASCO Corporation employees and Satellite & IP Content Business Section staff

The 8th Company

▶ Quantitative Information (FYE 2025 Results)

Consolidated Net Profit .... ¥65.1 billion

ROA*1 .... 1.7%

*1 ROA based on core profit

▶ Areas with High Growth Potential

- Enhancing FamilyMart's convenience store business while creating and expanding new businesses by leveraging FamilyMart's business foundation
- Creating new consumer-related businesses

FamilyMart store

FamiPay

PRESIDENT MESSAGE

Accelerating Expansion of Consumer-Related Businesses through a Market-Oriented Perspective

Our mission is to evolve businesses with a downstream perspective close to consumers, in collaboration with the other seven Division Companies. As the Group's largest consumer contact points we are supporting the sustainable growth of FamilyMart by utilizing internal and external resources, while also taking on the challenge of creating new businesses that leverage FamilyMart's business foundations, such as the retail media business. In addition, through our market-oriented perspective, we will accelerate investments in consumer sectors where growth is expected, thereby contributing to strengthening our value chain, expanding our business domain, and enhancing our corporate brand.

Tatsuo Odani

President, The 8th Company

Mr. Odani transitioned to the brand business after starting his career in the textile materials business, and demonstrated his management skills on the retail front lines as President of Leilian Co., Ltd. and EDWIN Co., Ltd. Leveraging his extensive experience in the consumer business, he continues to take on front-line challenges with a hands-on approach. Currently in this position since 2023.

Key Macroenvironmental Factors Affecting the Company

P Political / Legal

- Tightening of environmental regulations
- Ongoing 2024 logistics issue of driver shortages —the cap on truck drivers' overtime hours starting from 2024—

E Economical

- Increase in inbound consumption
- Increasing severity of labor shortage
- Domestic consumption trends

S Social / Cultural

- Low birthrate and aging population; regional population decline
- Growing health consciousness
- Promotion of food loss reduction

T Technological

- Labor-saving and efficiency improvements by using AI, etc.
- Transformation of business models through expanded data utilization

Key Opportunities

- Expansion of new businesses leveraging purchasing data
- Cost reductions in operations and logistics through digital transformation (DX) promotion

Key Risks

- Saturation of convenience store market due to population decline
- Decreased profitability caused by inflation, logistics constraints, and labor shortages

Connection to the Corporate Value Calculation Formula

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

Expand Created Value

Through strengthening product competitiveness and marketing capabilities at FamilyMart, achieved record-high business profit. These product enhancements are the result of Companywide collaboration, including stable rice supply from ITOCHU Food Sales and Marketing Co., Ltd. and the development of Convenience Wear leveraging expertise from the Textile Company.

Increase Growth Rate

The retail media business, utilizing FamilyMartVision digital signage installed in over 10,000 stores and one of the largest advertising IDs in Japan, has grown into a large-scale media platform with an average daily audience of approximately 15 million. We are expanding new business areas in the domestic advertising market as a front-runner.

Lower Cost of Capital

At FamilyMart, sustainability promotion is positioned as a core marketing strategy, and new initiatives have started. By changing the design of markdown stickers for near-expiry food products to "teary-eyed stickers," the purchase rate of discounted items has increased, and annual food loss at stores is expected to be reduced by approximately 3,000 tons per year. In addition, leveraging the expertise of ITOCHU PLASTICS INC., we provide packaging that balances consumer convenience with reduced environmental impact.

Strengths and Business Domains

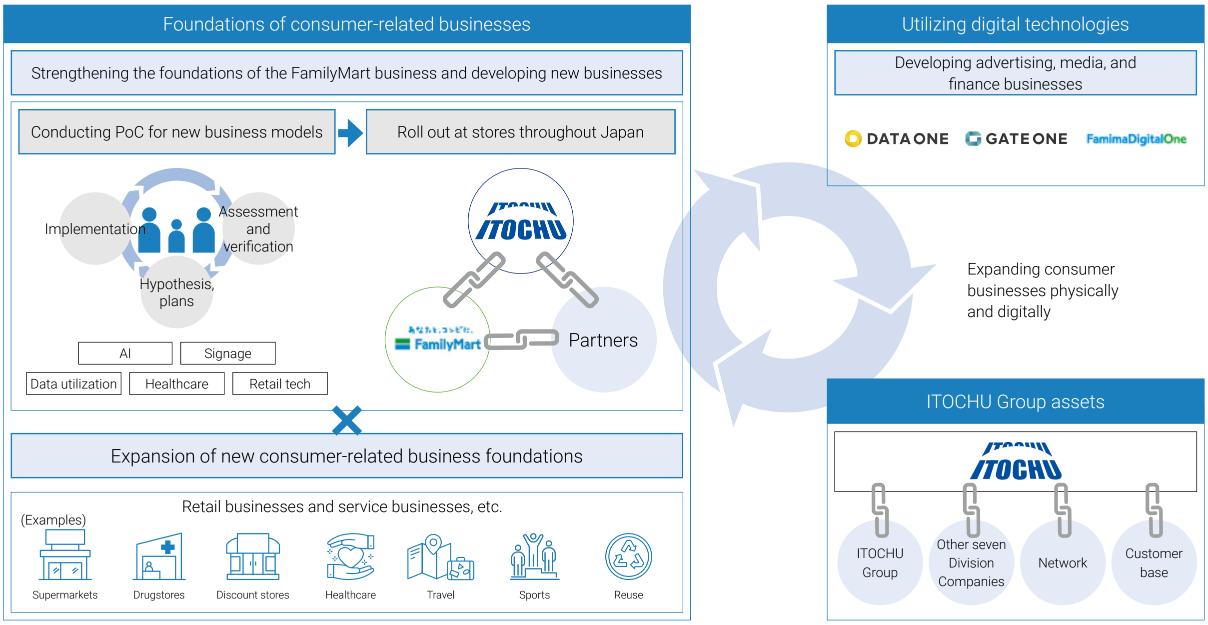
Percentage of Earnings from Business in Japan (image) 100%

Strengths

- An organizational culture that creates new businesses from the downstream through a market-oriented perspective
- A highly agile, amoeba-like organization comprised of diverse talent with experience across Division Companies and mutual personnel exchanges with Group companies
- Customer base in both physical and digital domains, grounded in FamilyMart's store network

By capturing the diversifying needs through a market-oriented perspective and leveraging our various business foundations with strengths in the consumer sector, we will develop new services and business models utilizing digital technologies and AI.

- We will create new business models that reflect customer needs and which utilize FamilyMart's data, store network, and ability to attract customers. After conducting proof-of-concept (PoC) tests for these business models, we will roll them out at FamilyMart stores throughout Japan. Further, we will expand business foundations by rolling out these new services and technologies in other retail businesses and service businesses.
- We will increase data volume and customer contact points to maximize the profits of advertising, media, and finance businesses. In addition, we will utilize digital technologies to expand consumer businesses physically and digitally.
- In the consumer-related sector, we will actively advance investment projects that promise significant growth going forward.



Demonstrating "Front-Line Capabilities" to Enhance Corporate Value

From Retail Media Front-Runner to Cross-Industry Platform Provider

The growth of Data One Corp., which was established under the leadership of our Company and is responsible for the digital advertising business, and Gate One Corp., which operates digital signage in FamilyMart stores, has dramatically improved FamilyMart's ability to communicate both physically and digitally. In FYE 2025, the installation of beacons*2 at FamilyMart stores nationwide was completed, making it possible to implement more detailed marketing measures, such as distributing coupons to smartphones when customers visit the store. As recognition as a front-runner in retail media increases, we have recently been expanding alliances that transcend industry boundaries. This includes various data collaborations with other retailers such as drugstores, as well as the development of advertising plans that combine external media (such as in-train signage, TV commercials) with digital advertising and in-store signage.

*2 A device that transmits information within a certain range. Devices that receive its signal can receive information such as coupons or specific notifications.

For more details on the Retail Media business' growth strategy, please refer to ITOCHU's website.
https://www.itochu.co.jp/en/ir/doc/presentation/


Deploying advertising based on purchasing data

Digital signage "FamilyMartVision"


Our representative in charge of promoting the retail media business

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
• Establishment of a Nomination Committee and a Governance and Remuneration Committee • Increase in number of Outside Directors	• Transition to a Board of Directors with a monitoring-focused structure • Abolition of the consultant and advisor system	• Maintain a ratio of Outside Directors of at least one-third • Formulate ITOCHU's Policy on the Governance of Its Listed Subsidiaries	• Establishment of the Women's Advancement Committee • Appointment of two outside officers with experience in corporate management	• Reorganized into Governance, Nomination and Remuneration Committee • Aforementioned 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*1)

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*1)

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*1)

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*1)

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*1)

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*1)

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

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.

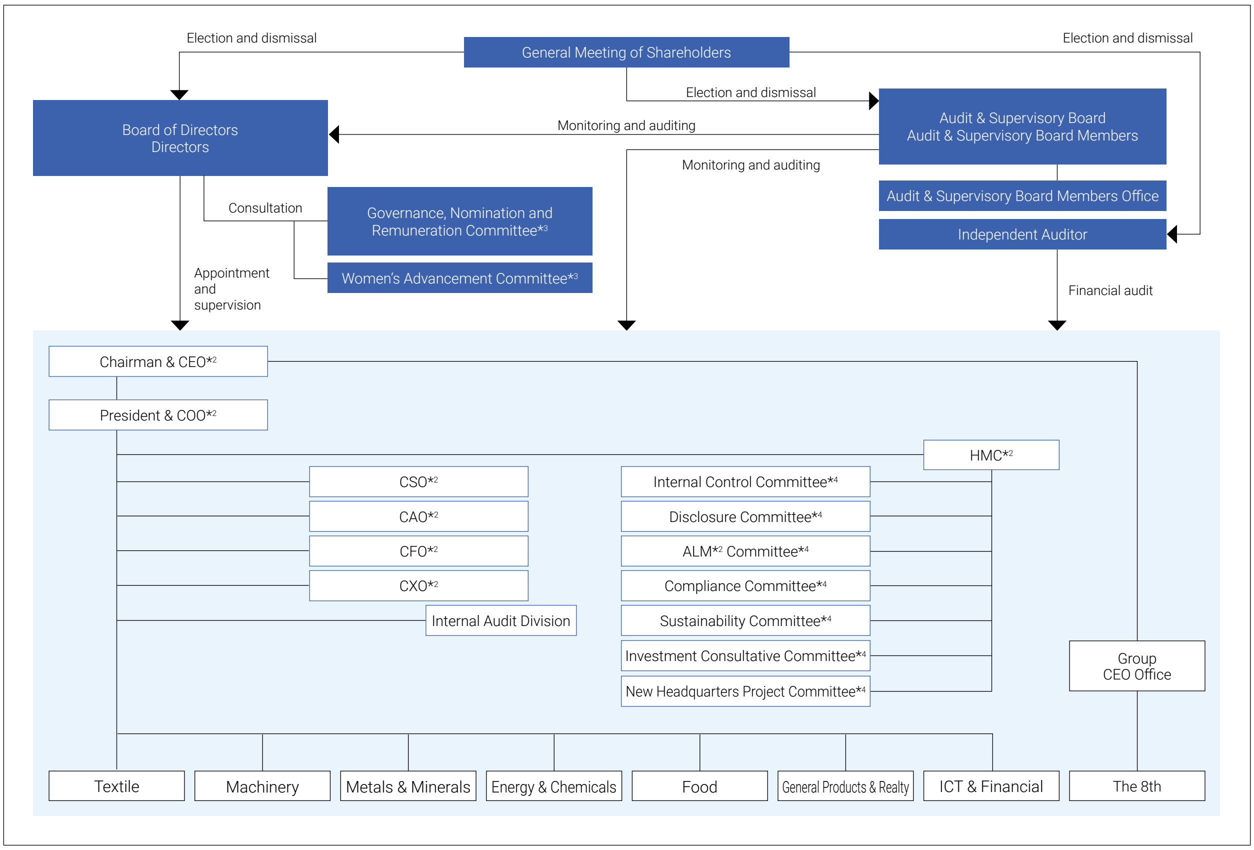
Structure of the Board of Directors

: Male : Female *1 "P" under Inside Directors: President, Machinery Company; Deputy COO

Board of Directors		Audit & Supervisory Board Members		Ratio of Female Officers on the Board of Directors	Ratio of Outside Officers on the Board of Directors	Attendance Rate (FYE 2025)
Inside Directors*1	Outside Directors	Inside Audit & Supervisory Board Members	Outside Audit & Supervisory Board Members			
6 CEO, COO·CSO, CAO, CFO, P, CXO	4	2	3	27% (4)	47% (7)	100% (13 times)

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/

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	• Structure of the Board of Directors • Role and duties of the Board of Directors • Information provision and training for Members of the Board and Audit & Supervisory Board Members	• Structure of advisory committees to the Board of Directors, etc. • Operation status of the Board of Directors • Other important themes

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

Issues identified	**Supervising the implementation status of diversity strengthening measures**	**Supervising governance strengthening measures for sustainable growth of the Group**
FYE 2025 progress and evaluation	• For the newly appointed female Executive Officers to fully demonstrate their capabilities and achieve further growth, in addition to support from management, we are carrying out meticulous monitoring through meetings and other opportunities with members of the Women's Advancement Committee. • Continuing from FYE 2025, we have newly appointed five female Executive Officers, including the promotion of younger employees in FYE 2026. Thereby steadily increasing the proportion of female Executive Officers among all Executive Officers and clearly conveying our strong message on the continuous promotion of women. • In addition to appointing female Executive Officers, we are implementing various and unique measures to promote the advancement of women, such as reforming the clerical staff system to foster a change in mindset and enhance expertise, as well as consolidating the women's dormitories to cultivate a sense of unity among young female employees.	• Based on the new Management Policy, we formulated a management plan that promotes "growth investments" with the maximum amount of 1 trillion yen. In the TOBs for publicly listed subsidiaries and affiliates, the board conducted discussions and made decisions that balanced minority shareholder protection in order to support growth investments that contribute to sustainable growth of the Company. Furthermore, with regard to the investment in WECARS, an on-site visit was carried out by Outside Directors after the investment execution. Additionally, it has been confirmed that multiple Division Companies are collaborating aiming at business restructuring and growth. • Outside Directors have been meeting with Division Company Presidents, Chief Officers responsible for the Headquarters' Administrative Divisions, and the key management of our Group companies to deepen their understanding of the candidate pool for future key positions of ITOCHU's important senior management.
Future issues	Continue to provide organizational support from the executive side to empower female officers in making meaningful contributions to the Company. In addition, members of the Committee for Women's Advancement regularly monitor the status of these support initiatives.	To further strengthen and enhance the Board of Directors' supervisory functions, both in terms of oversight and proactive value creation, enrich the information provided to Outside Directors and Audit & Supervisory Board Members, and also expand opportunities for engagement between outside officers and the executive team.

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.	All Aspects of Management	Global
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.

By appointing Directors and Audit & Supervisory Board Members with diverse and valuable skill sets, we achieve the accomplishment of short-term targets, capture medium- to long-term growth opportunities, and ensure appropriate risk control.

Enhancement of Corporate Value ⬆ = Expand Created Value ⬆ / Lower Cost of Capital ⬇ — Increase Growth Rate ⬆

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

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
Marketing / Sales	Self-Transformation / Digital Transformation	SDGs & ESG	Health & Medical Care	Finance, Accounting & Risk Management	Human Resource Strategy	Internal Control & Legal Affairs / Compliance		
◎	○	○	○	○	○	○	□	
◎	○	○	○	○	○	○	□	
	○	◎	○	○	◎	○	□	□
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■ Chair □ Member ※ Observer

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

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	• 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	• 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) 

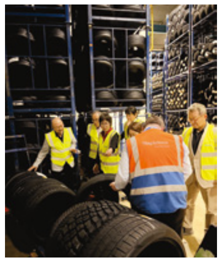
Message from Outside Director

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



Visit to ETEL* in the U.K.

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

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	• 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	• 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

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

Small meeting with institutional investors

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)

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"

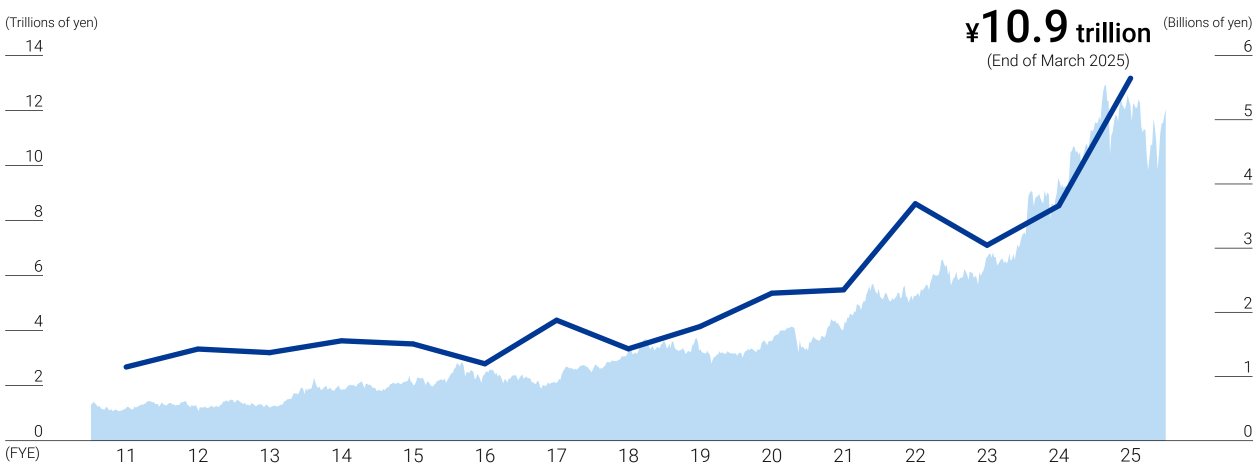
Corporate Officer Remuneration

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



Market capitalization (left axis) Total amount of Directors remuneration (right axis) * Including treasury stocks

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)		
(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.		(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)	
			(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

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.

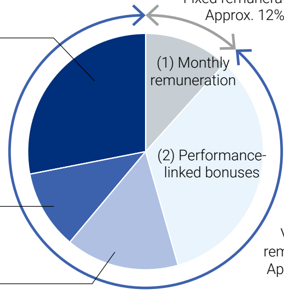
Enhancement of Corporate Value ↑ = Expand Created Value ↑ / Lower Cost of Capital ↓ — Increase Growth Rate ↑

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.

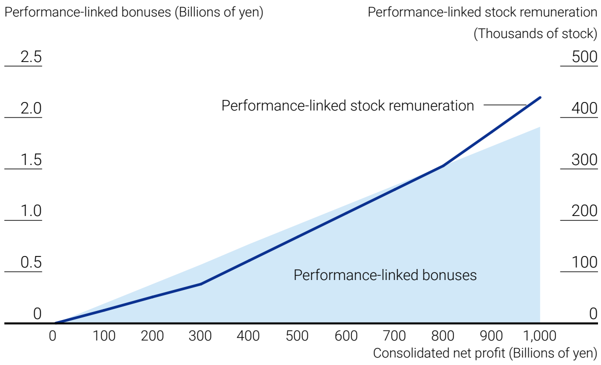
Composition Image of Remuneration for Directors (Excluding Outside Directors) (FYE 2025)



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)



* Indicates the total amount of bonuses and the number of stock compensation shares granted to internal Directors, based on the composition of internal Directors for FYE 2026.

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.

Mechanism of Share Price-Linked Bonuses... (3)

The higher of A or B will be paid
(B: Only When Outperforming TOPIX)

A: **Increase in Average Stock Price During the Target Period Compared to the Reference Period** (Daily closing price) × **Relative Growth Rate Compared to TOPIX** × **Coefficient** (Pro-rated based on term of office)

B: **Average Stock Price During the Reference Period** (Daily closing price) × **Relative Growth Rate Compared to TOPIX** × **Coefficient** (Pro-rated based on term of office)

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

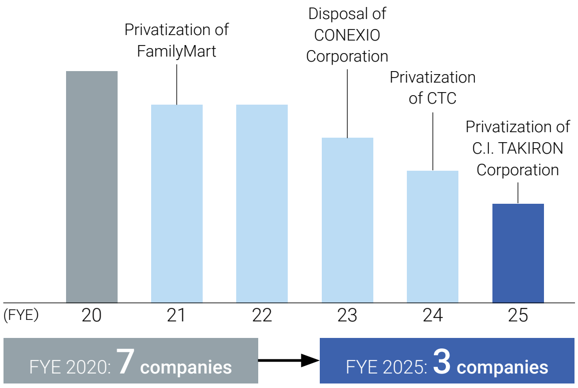
(Rounded to the nearest million yen)

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	—	—	—	—

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 ENEX 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.

Major Listed Affiliates (As of July 1, 2025)

Tokyo Century Corporation	HITACHI Reliable Solutions
FUJI OIL CO., LTD.	SKY Perfect JSAT Group

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.

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

Proposals by the Chairman & CEO	The Chairman & CEO recommends candidates to the Governance, Nomination and Remuneration Committee based on input from executives because it is not only essential to have knowledge related to the businesses of the entire Company to enhance medium- to long-term corporate value but also to have a deep understanding of the candidates' careers, experience, character, and other factors.
Deliberations at the Governance, Nomination and Remuneration Committee	The Governance, Nomination and Remuneration Committee is chaired by an Outside Director and has a majority of Outside Directors. Its deliberations reflect the perspectives of outside officers who share viewpoints with general shareholders and society.
Deliberation at Meetings of the Board of Directors	The Governance, Nomination and Remuneration Committee reports the results of deliberations to the Board of Directors, and the CEO is decided following discussions at meetings of the Board of Directors.

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.

Selected Financial Data

* Due to the adoption of IFRS 17, the results for FYE 2023 are presented post retroactive adjustment.
* Figures in yen for FYE 2025 have been translated into U.S. dollars solely for the convenience of the reader at the rate of ¥149.52 = US$1, the exchange rate prevailing on March 31, 2025.

	Millions of yen			
Fiscal Years Ended March 31	2015	2016	2017	2018
P/L (For the year):				
Revenues	¥5,591,435	¥5,083,536	¥4,838,464	¥5,510,059
Gross trading profit	1,089,064	1,069,711	1,093,462	1,210,440
Net profit attributable to ITOCHU	300,569	240,376	352,221	400,333
Per share (Yen and U.S. dollars):				
Basic earnings attributable to ITOCHU*1	189.13	152.14	223.67	257.94
Cash dividends	46.0	50.0	55.0	70.0
Shareholders' equity*1	1,539.55	1,388.66	1,532.56	1,722.06
B/S (As of March 31):				
Current assets	¥4,137,952	¥3,667,502	¥3,700,815	¥3,923,361
Non-current assets	4,422,749	4,368,893	4,421,217	4,740,576
Total assets	8,560,701	8,036,395	8,122,032	8,663,937
Short-term interest-bearing debt	543,660	426,820	563,033	526,867
Long-term interest-bearing debt	2,548,504	2,769,345	2,381,620	2,252,606
Interest-bearing debt	3,092,164	3,196,165	2,944,653	2,779,473
Net interest-bearing debt	2,380,504	2,555,644	2,330,683	2,320,418
Long-term debt (excluding current maturities, including long-term interest-bearing debt and lease liabilities (long-term))	2,652,323	2,875,067	2,489,953	2,367,233
Total shareholders' equity	2,433,202	2,193,677	2,401,893	2,669,483
Cash flows (For the year):				
Core operating cash flows*2	¥ 385,881	¥ 374,176	¥ 419,735	¥ 461,054
Cash flows from operating activities	403,629	419,404	389,693	388,212
Cash flows from investing activities	(276,103)	(557,260)	(81,306)	(256,350)
Cash flows from financing activities	(97,896)	81,770	(335,396)	(296,136)
Cash and cash equivalents at the end of the year	700,292	632,871	605,589	432,140
Ratios:				
ROA (%)	3.7	2.9	4.4	4.8
ROE (%)	13.4	10.4	15.3	15.8
Ratio of shareholders' equity to total assets (%)	28.4	27.3	29.6	30.8
Net debt-to-shareholders' equity ratio (NET DER) (Times)	0.98	1.17	0.97	0.87
Interest coverage (Times)*3	12.7	10.1	11.1	9.3
Consolidated net profit (Details):				
Non-resource (Billions of yen and billions of U.S. dollars)	¥317.2	¥237.3	¥313.7	¥331.0
Resource (Billions of yen and billions of U.S. dollars)	(23.6)	1.8	30.6	82.3
Core profit (Billions of yen and billions of U.S. dollars)	305.6	315.4	370.2	416.8
Extraordinary gains (losses) (Billions of yen and billions of U.S. dollars)	(5.0)	(75.0)	(18.0)	(16.5)
Profits / losses of Group companies:				
Profits of Group companies (Billions of yen and billions of U.S. dollars)	¥ 297.1	¥ 283.1	¥357.4	¥452.9
Losses of Group companies (Billions of yen and billions of U.S. dollars)	(109.7)	(117.1)	(28.7)	(60.6)
Total	187.4	166.0	328.6	392.3
Ratio of Group companies reporting profits (%)	82.5	81.9	86.4	91.0
Common stock information:				
Stock price (Closing price, as of March 31, yen and U.S. dollars)	¥1,301.5	¥1,386.0	¥1,580.0	¥2,066.5
Market capitalization (Calculated by including treasury stock, as of March 31, yen and U.S. dollars in billions)	2,164	2,305	2,627	3,436
Market capitalization (Calculated by excluding treasury stock, as of March 31, yen and U.S. dollars in billions)	2,057	2,189	2,476	3,203
Number of shares of common stock issued (As of March 31, thousand shares)	1,662,889	1,662,889	1,662,889	1,662,889
Exchange rates into U.S. currency:				
At year-end	¥120.17	¥112.68	¥112.19	¥106.24
Average for the year	108.28	120.65	108.37	111.30
Number of subsidiaries, associates and joint ventures (As of March 31)	342	326	308	300
Number of employees (As of March 31, consolidated)	110,487	105,800	95,944	102,086

*1 Basic earnings per share attributable to ITOCHU and Shareholders' equity per share are calculated by using the number of shares of common stock issued excluding treasury stock.
*2 "Cash flows from operating activities" – "Changes in working capital" + "Repayment of lease liabilities, etc."
*3 Interest coverage = (Gross trading profit + SG&A expenses + Provision for doubtful accounts + Interest income + Dividends received) / Interest expense

For the data since FYE 2011, please refer to ITOCHU's website.
https://www.itochu.co.jp/en/ir/finance/financial_data/

Millions of yen							Millions of U.S. dollars
2019	2020	2021	2022	2023	2024	2025	2025
¥11,600,485	¥10,982,968	¥10,362,628	¥12,293,348	¥13,945,633	¥14,029,910	¥14,724,234	$98,477
1,563,772	1,797,788	1,780,747	1,937,165	2,129,903	2,232,360	2,376,456	15,894
500,523	501,322	401,433	820,269	800,519	801,770	880,251	5,887
324.07	335.58	269.83	552.86	546.10	553.00	615.65	4.12
83.0	85.0	88.0	110.0	140.0	160.0	200.0	1.34
1,930.47	2,010.33	2,232.84	2,857.50	3,314.35	3,771.77	4,059.19	27.15
¥ 4,407,820	¥ 4,133,061	¥ 4,277,311	¥ 4,809,956	¥ 5,121,368	¥ 5,623,750	¥ 5,723,799	$ 38,281
5,690,883	6,786,537	6,901,121	7,343,702	7,994,032	8,865,951	9,410,465	62,938
10,098,703	10,919,598	11,178,432	12,153,658	13,115,400	14,489,701	15,134,264	101,219
650,909	684,406	710,213	522,448	659,710	727,966	827,128	5,532
2,332,928	2,192,557	2,445,099	2,383,455	2,346,928	2,629,642	2,723,640	18,216
2,983,837	2,876,963	3,155,312	2,905,903	3,006,638	3,357,608	3,550,768	23,748
2,406,756	2,256,882	2,601,358	2,283,003	2,391,169	2,741,591	2,961,281	19,805
2,548,537	3,198,802	3,323,752	3,216,852	3,169,749	3,499,156	3,641,874	24,357
2,936,908	2,995,951	3,316,281	4,199,325	4,823,259	5,426,962	5,755,072	38,490
¥ 514,289	¥ 601,812	¥ 574,319	¥ 790,159	¥ 871,375	¥ 823,464	¥ 920,125	$ 6,154
476,551	878,133	895,900	801,163	938,058	978,108	997,278	6,670
201,149	(248,766)	(207,296)	38,637	(453,806)	(205,994)	(516,267)	(3,453)
(538,318)	(575,482)	(728,767)	(846,706)	(500,081)	(801,174)	(524,998)	(3,511)
572,030	611,223	544,009	611,715	606,002	600,435	549,573	3,676
5.3	4.5	3.6	7.0	6.3	5.8	5.9	—
17.9	17.0	12.7	21.8	17.7	15.6	15.7	—
29.1	27.4	29.7	34.6	36.8	37.5	38.0	—
0.82	0.75	0.78	0.54	0.50	0.51	0.51	—
8.3	8.7	13.2	23.6	12.3	8.3	7.8	—
¥378.0	¥378.3	¥292.7	¥610.3	¥587.8	¥603.5	¥717.7	$48.0
115.5	126.8	107.9	221.6	215.6	204.6	172.6	11.5
472.0	485.3	452.4	690.3	787.5	788.8	770.3	51.5
28.5	16.0	(51.0)	130.0	13.0	13.0	110.0	7.4
¥ 545.3	¥ 471.1	¥ 463.8	¥719.5	¥771.6	¥771.5	¥811.9	$54.3
(107.4)	(25.9)	(104.2)	(10.6)	(77.9)	(31.4)	(20.1)	(1.3)
437.9	445.2	359.6	708.9	693.7	740.1	791.8	53.0
90.0	88.6	82.4	90.9	88.6	92.0	91.6	—
¥2,002.5	¥2,242.5	¥3,587.0	¥4,144.0	¥4,301.0	¥6,466.0	¥6,901.0	$46.15
3,174	3,554	5,685	6,568	6,817	10,248	10,937	73.15
3,046	3,342	5,328	6,090	6,259	9,304	9,784	65.44
1,584,889	1,584,889	1,584,889	1,584,889	1,584,889	1,584,889	1,584,889	—
¥110.99	¥108.83	¥110.71	¥122.39	¥133.53	¥151.41	¥149.52	—
110.56	109.16	105.97	111.54	134.48	144.59	152.62	—
291	289	279	274	271	263	263	—
119,796	128,146	125,944	115,124	110,698	113,733	115,089	—

Performance Trends of Major Group Companies / ESG Data

Examples of Trend of Profits / Losses from Major Group Companies

(Billions of yen)	Ownership (As of the end of March 2025)	Relationship with our Company
DESCENTE LTD.	100.0%	We started our investment in 1971. The company became an equity-method affiliate in 2008. In 2019, we strengthened our management involvement through a TOB. The company was privatized in 2025 through another TOB in 2024.
Tokyo Century Corporation	30.0%	We were involved in the establishment of Century Leasing System Inc. in 1969. The company was listed in 2003 and integrated with Tokyo Leasing Co., Ltd.*1 in 2009. The company changed its name in 2016.
YANASE & CO., LTD.	90.5%	We started our investment in 2003. The company became an equity-method affiliate in 2008 and was converted to a subsidiary in 2017. Since then, we have gradually increased our share.
ITOCHU Minerals & Energy of Australia Pty Ltd	100.0%	We have been involved in the Western Australia iron ore business with BHP since the development of the Mt Whaleback mine in 1967, achieving the first shipment in 1969. The company was established in 2004 through the integration of resource development businesses, including iron ore and coal.*2
Marubeni-Itochu Steel Inc.	50.0%	The company was established in 2001 through the spin-off and merger of the respective steel divisions of Marubeni Corporation and ITOCHU.
ITOCHU ENEX CO., LTD.	55.6%	The company was established in 1961 as Itochu Fuel Corporation to market products from the Mizushima Refinery of Nippon Mining Co., Ltd. The company was listed in 1978 and changed its company name to current name in 2001.
ITOCHU CHEMICAL FRONTIER Corporation	100.0%	ITOCHU Techno-Chemical Inc.*3 was established in 1971. In 1979, the Fine Chemical Department of ITOCHU was spun off and established as ITOCHU Fine Chemical Corporation. The two companies were merged in 2005 to form the current entity.
NIPPON ACCESS, INC.	100.0%	We acquired shares of Yukijirushi Access Co., Ltd. from Snow Brand Milk Products Co., Ltd. and entered a capital and business alliance in 2001. In 2002, through additional share acquisitions, the company became an equity-method affiliate. The company changed name to its current name in 2004. Converted to a subsidiary in 2006, making it a wholly owned subsidiary in 2019.
FUJI OIL CO., LTD.*4	43.9%	We established in 1950 through the spin-off of the Osaka mill of Fuji Sanshi as an oil extraction business using palm oil. Listed in 1961.
ITOCHU LOGISTICS CORP.	100.0%	We transferred a textile warehouse in Naniwa-ku, Osaka, and established C. ITOH WAREHOUSE & TRANSPORT CO., LTD. in 1961. Listed in 1994. The company was privatized through TOB in 2009.
DAIKEN CORPORATION	100.0%	The forestry department of Daiken Sangyo Co., Ltd.*5 was spun off and established as DAIKEN Wood Industry Co., Ltd. in 1945. The company was listed in 1949 and changed company name in 1967*6. The company was privatized through TOB in 2023.
ITOCHU Techno-Solutions Corporation	99.95%	C. ITOH Data Systems Co., Ltd.*7, established in 1972, and Tokyo Electronic Computing Service Co., Ltd. *8, established in 1958, were merged in 2006. The company was privatized through a TOB in 2023.
FamilyMart Co., Ltd.	94.7%	We started our investing in 1998 (as an equity-method affiliate). Converted to a subsidiary in 2018. The company was privatized through TOB in 2020.*9
Orchid Alliance Holdings Limited	100.0%	We established in 2015 jointly with the CP Group for the purpose of investing in CITIC.

*1 The company's name at the time of its integration was Century Tokyo Leasing Corporation. *2 The company's name at the time of its establishment was CI Minerals Australia Pty. Ltd.
*3 Originally established as Ando Kaseihin KK. *4 The company changed its name from FUJI OIL HOLDINGS INC. as of April 1, 2025.
*5 The company was established in 1944 through the integration of Marubeni Corporation, ITOCHU, and other companies under wartime controls. In 1949, it was split again into separate companies, including ITOCHU.
*6 The company changed its name after merging with DAIKEN Wallboard Industry Co., Ltd., in which we also had share.
*7 After established by ITOCHU, integrated with ITOCHU Techno-Science Corporation in 1989 and listed in 1999.
*8 We were involved in its establishment, and after several name changes, listed in 2000. In 2001, the company changed its name to CRC Solutions Corp.
*9 For details, please refer to ☛ Page 58 Creating and Expanding Businesses by Utilizing FamilyMart's Business Platform.

ESG Data

E Environment

☛ Page 51 Toward Achieving Climate Change Targets

	Non-consolidated*11 FYE 2023	Non-consolidated*11 FYE 2024	Non-consolidated*11 FYE 2025	Consolidated*12 FYE 2023	Consolidated*12 FYE 2024	Consolidated*12 FYE 2025
GHG emissions (Thousand t-CO_2e)						
Scope1	0	0	0	1,166	1,062	1,087
Scope2	6	2	2	600	627	640
Scope3*10						
Capital goods	–	–	–	598	506	626
Fuel & Energy related activities not included in Scope1 and Scope2	–	–	–	342	378	381
Upstream transportation & distribution	–	–	–	12	11	15
Waste generated in operations	–	–	–	298	232	210
Business travel	–	–	–	44	133	133
Employee commuting	–	–	–	18	27	28
Franchises	–	–	–	1,025	947	1,019
Electricity consumption (Thousand MWh)	9	9	9	1,526	1,673	1,842
Water withdrawal (Thousand m^3)	41	62	61	45,121	50,663	50,136
Waste volume (Thousand t)	0	0	0	640	610	655
Waste recycling rate	90.9%	92.3%	91.7%	79%	77%	83%

*10 Scope3 disclosure has been limited to certain categories in light of international discussions on appropriate emissions management and disclosure. For details on the basis of emissions calculation methods used in each category, please refer to ITOCHU's website. **https://www.itochu.co.jp/en/csr/data/**
*11 GHG emissions, electricity consumption, and water withdrawal are the totals for domestic bases. Waste volume and waste recycling rate are totals for the Tokyo Headquarters.
*12 This is the total of ITOCHU, Group companies in Japan, overseas offices, and overseas Group companies. FYE 2025 figures include 558 companies.

	BND 2012 FYE 2011	BND 2014 FYE 2015	BND 2017 FYE 2018	BND 2020 FYE 2021	BND 2023 FYE 2024	The Brand-new Deal FYE 2025
	Non-disclosed	Non-disclosed	1.4	1.6	5.3	7.0
	4.0	9.1	12.5	13.5	23.4	23.1
	Non-disclosed	Non-disclosed	3.7	4.6	12.8	13.1
	80.1	42.3	62.3	90.6	166.9	127.3
	6.8	12.8	9.2	8.7	40.1	25.7
	2.2	2.8	6.0	6.6	7.4	9.4
	2.0	3.1	3.7	4.7	8.2	9.1
	6.5	8.6	9.8	7.1	21.0	23.8
	2.5	2.4	4.2	2.4	0.7	(1.9)
	0.7	1.9	2.7	3.0	6.1	5.6
	0.2	0.7	1.6	2.0	5.2	6.6
	6.3	10.2	13.6	17.8	37.6	50.5
	4.0	8.1	11.8	(16.7)	41.8	69.8
	–	–	67.9	72.5	98.3	114.1

All financial data previously published in this report until 2024 can be downloaded in Excel format from ITOCHU's website.
https://www.itochu.co.jp/en/ir/finance/financial_data/

S Society

Page 46 Specific Examples of Key Initiatives

(People)	FYE 2023	FYE 2024	**FYE 2025**
Consolidated employees (People)	110,698	113,733	**115,089**
Non-consolidated employees (People)	4,112	4,098	**4,114**
Female employees as a percentage of employees	24%	25%	**26%**
Monthly average overtime hours (Hours / Month)*13	13	12	**11**
Annual paid leave acquisition rate	63%	66%	**69%**
Overseas assignment ratio for career-track employees within their first eight years at the Company	89.4%	87.3%	**87.3%**
Average training / development hours per regular employee (Hours / Year)	21.4	28.2	**31.0**
Number of employees visiting the foundation site to gain a deeper understanding of "*Sampo-yoshi*" corporate mission*14	3,027	3,565	**3,943**
Percentage of membership in the Employee Shareholding Association	100%	100%	**100%**
Persons with disabilities as a percentage of employee	2.48%	2.43%	**2.42%**

*13 This figure represents the total actual working hours exceeding the statutory eight-hour workday.
*14 Cumulative number of participants from the entire ITOCHU Group visiting the foundation site since FYE 2005.

G Governance

For the structure and attendance rate of the Board of Directors, please refer to Page 82 Corporate Governance System.

For detailed data regarding (E) Environment, (S) Society, (G) Governance, and third-party assurance, please refer to ITOCHU's website.
ESG Data: https://www.itochu.co.jp/en/csr/data/
Third-Party Assurance: https://www.itochu.co.jp/en/csr/pdf/independent_assurance_report_e.pdf

Dialogue with Stakeholders

IR Activities

ITOCHU engages in communication with analysts, institutional investors, individual investors, and all other stakeholders. While explaining our thinking to our stakeholders, we proactively report the valuable opinions received through the communications to the management team in order to facilitate enhancement of corporate value.

IR Activities Themes for FYE 2025

Achieving strong market recognition of our new Management Policy for Corporate Value Enhancement

Major Initiatives

(1) Strengthening dialogue with overseas investors	• Significantly increased the number of individual meetings with overseas institutional investors, and achieved a record high of 605 meetings • Significantly increased the proportion of overseas active institutional investors
(2) Renewal of financial disclosure materials (Enhanced disclosure)	• Redesigned the format of financial disclosure materials • Expanded quarterly disclosure content based on investor feedback
(3) Expansion of IR events	• Created new opportunities for dialogue between Outside Directors and analysts and institutional investors • Increased the frequency of business briefings (North American power business, DESCENTE) • Held the integrated report briefing (5th) in a large meeting format

Key Initiatives for FYE 2026

Further enhancement of disclosure materials to improve multiples, hosting events to deepen understanding of our growth strategy, and advancing engagement with institutional investors

Major IR Activities

(Times)

Activity	FYE 2023	FYE 2024	FYE 2025
Individual meetings with analysts and institutional investors	333	426	**605**
–Overseas	107	201	**339**
–Domestic	226	225	**266**
Investor briefings on financial results for analysts and institutional investors*1	4	4	**5**
Business briefings and sustainability briefings for analysts and institutional investors	1	1	**2**
Site tours for analysts and institutional investors	0	1	**1**
Overseas IR roadshows	5	5	**6**
Conferences sponsored by securities companies	6	6	**10**
Individual investors briefings	3	3	**2**

*1 Investor briefings on financial results for analysts and institutional investors includes the Management Policy briefing held on April 3, 2024.

Investor briefing on financial results for analysts and institutional investors

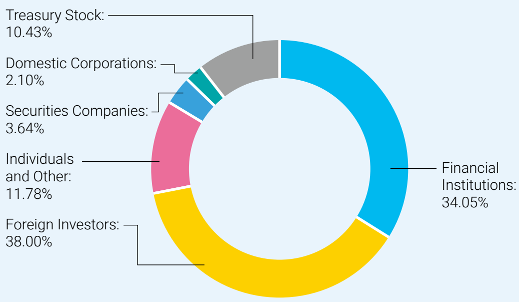

Individual meetings with institutional investors

Stock and Shareholder Information (As of March 31, 2025)

Major Shareholders*2

Name	Number of Shares (1,000 shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	232,181	16.36%
BNYM AS AGT / CLTS 10 PERCENT	146,102	10.29%
Custody Bank of Japan, Ltd. (trust account)	72,943	5.14%
JPMorgan Securities Japan Co., Ltd.	36,655	2.58%
Nippon Life Insurance Company	34,056	2.40%
Mizuho Bank, Ltd.	31,200	2.20%
STATE STREET BANK AND TRUST COMPANY 505001	31,073	2.19%
STATE STREET BANK WEST CLIENT – TREATY 505234	24,439	1.72%
JP MORGAN CHASE BANK 385781	18,941	1.33%
Asahi Mutual Life Insurance Company	18,720	1.32%

Breakdown of Shareholders



*2 The Company holds 165,289 thousand shares of treasury stock (10.43% of the number of shares of common stock issued) that are excluded from the left list of the major shareholders. Shareholding ratio shows the ratio against the number of shares of common stock issued excluding treasury stock.

We support the enhancement of corporate value by providing appropriate information through proactive dialogue with our stakeholders and by providing management with feedback from the market.

Enhancement of Corporate Value ⬆ = Expand Created Value ⬆ / Lower Cost of Capital ⬇ — Increase Growth Rate ⬆

External Evaluation of Corporate and IR Activities

External Evaluation of Our IR Activities

IR Activities	• Japan Investor Relations Association: **"Best IR Award," "'Most Liked!' IR Award"**
Integrated Report	• Government Pension Investment Fund (GPIF): **"Outstanding Integrated Report"** • WICI Japan Integrated Report Award 2024: **"The Best Gold Award"** • 4th Nikkei Integrated Report Award: **"Semi-Grand Prize"**
IR Website	• Daiwa Investor Relations Co. Ltd. 2024 Internet IR Award: **"Grand Prize (1st Place)"** • Nikko Investor Relations Co., Ltd. All Japanese Listed Companies' Website Ranking 2024: **"Overall Ranking: AAA Grade" "Sector Ranking (Wholesale Trade): AAA Grade"** • Broadband Security, Inc. Gomez IR Site Ranking 2024: **"Gold Ranking"**
Individual Investor	• J.D. Power Japan 2025 Individual Shareholder Satisfaction Study: **"General trading company category: No. 1"**

Status of Inclusion in Indices (excluding ESG indices)

- JPX-Nikkei Index 400
- JPX Prime 150 Index
- TOPIX Core 30 / TOPIX 100 / TOPIX 500 / TOPIX 1000
- TOPIX High Dividend Yield 40 Index
- Nikkei Stock Average (Nikkei 225)
- Nikkei Stock Index 300 / Nikkei 500 Stock Average
- MSCI Japan Index*3
- MSCI Japan High Dividend Yield*3

Inclusion in ESG-Related Indices

- MSCI Japan ESG Select Leaders Index ★*4
- FTSE4Good Index Series
- FTSE Blossom Japan Index ★
- FTSE Blossom Japan Sector Relative Index ★
- Dow Jones Best-in-Class Indices (World / Asia Pacific Index)
- S&P/JPX Carbon Efficient Index ★
- SOMPO Sustainability Index
- Morningstar Japan ex-REIT Gender Diversity Tilt Index ★

Credit Ratings (As of July 2025)

Rating Agency	Long-Term / Outlook	Short-Term
Japan Credit Rating Agency (JCR)	AA+ / Stable	J-1+
Rating & Investment Information (R&I)	AA / Stable	a-1+
Moody's Investors Service	A2 / Stable	P-1
S&P Global Ratings	A / Stable	A-1

ESG Ratings (As of July 2025)

- MSCI ESG Rating: AAA*4
- S&P Global CSA Score 2024: Top 1%

★ ESG indices selected by the Government Pension Investment Fund (GPIF).
*3 The inclusion of ITOCHU in any MSCI index, and the use of MSCI logos, trademarks, service marks, or index names herein, do not constitute a sponsorship, endorsement, or promotion of ITOCHU by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. The names and logos of MSCI indexes are trademarks or service marks of MSCI or its affiliates.
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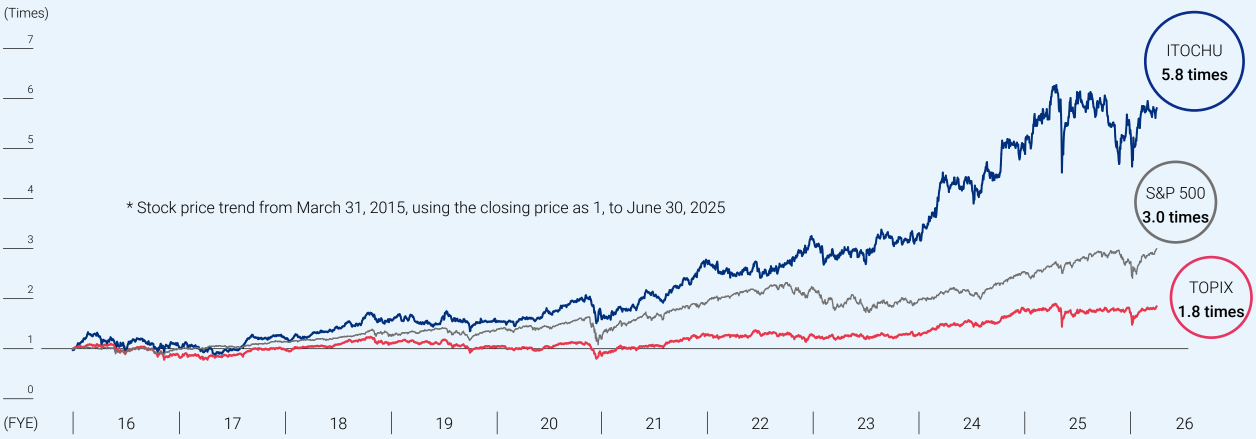
Stock Price Trend



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