

May 8, 2020  
ITOCHU Corporation

Overview of Results of the Evaluation as to the Effectiveness of the Board of Directors of  
ITOCHU Corporation

ITOCHU Corporation (“ITOCHU”) hereby announces that it conducted the evaluation as to the effectiveness of the Board of Directors targeting the Members of the Board and Audit & Supervisory Board Members in FY2020, and accordingly, reports the overview of the results of the evaluation as follows.

[Procedure for the Board Evaluation]

Respondents	All of ten (10) Members of the Board and five (5) Audit & Supervisory Board Members in FY2020
Implementation method	Conducted a questionnaire to and individual interview with each of respondents by the external consultant (Answered on anonymous basis)
Question details	Centered on items related to the following five sections: 1) Structure of the Board of Directors 2) Structure of advisory committees to the Board of Directors 3) Roles and duties of the Board of Directors 4) Operation status of the Board of Directors 5) Information provision and training for Members of the Board and Audit & Supervisory Board Members
Evaluation method	Implemented a third-party evaluation by the external consultant based on the answers from the respondents. In reference to the third-party evaluation, implemented an analysis and evaluation at the Board of Directors, following an examination at the Governance and Remuneration Committee.

[Overview of the results of the evaluation]

As a result of this evaluation, the Board of Directors of ITOCHU confirmed that the effectiveness of the Board of Directors was secured.

According to an external consultant, it is evaluated that ITOCHU’s score has improved in the majority of the questionnaires, and the effectiveness of the Board of Directors has made further progress through means including (1) progress in external form such as improvement of diversity and the structure of advisory committees, (2) invigoration of discussions in the Board of Directors through improvements in proceedings and operation of meetings, and (3) enhancement of information sharing.

With regard to the operation of the Board of Directors based on the transition to a Monitoring-Focused Structure, which was recognized as an ongoing issue in the previous evaluation, discussions were held with the goal of improving medium- to long-term corporate value, which ITOCHU seeks in its management strategy and corporate philosophy, and steady progress was observed.

At the same time, the findings also noted that, as remaining issues, there is a need for initiatives to address (1) further diversity in the Board of Directors, (2) the further enhancement of medium- to long-term discussions in the Board of Directors, and (3) the strengthening of provision of information to outside directors and outside audit & supervisory board members.

Based on the above survey results, ITOCHU intends to continue investigations aimed at increasing the diversity of outside directors and outside audit & supervisory board members, and to enhance discussions by the Board of Directors on major themes.

Based on the results of this evaluation of the Board of Directors, we will continue to maintain and improve the effectiveness of the Board of Directors.

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