This document is an unofficial translation of the Notice of the 97th Ordinary General Meeting of Shareholders and is provided for your convenience only, without any warranty as to its accuracy or as to the completeness of the information. The Japanese original version of the document is the sole official version.

Stock Code: 8001

To Those Shareholders with Voting Rights

Masahiro Okafuji
Chairman & Chief Executive Officer
ITOCHU Corporation
1-3, Umeda 3-chome, Kita-ku, Osaka

NOTICE OF THE 97TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 97th Ordinary General Meeting of Shareholders of ITOCHU Corporation to be held as described below.

To prevent the spread of the new coronavirus disease (COVID-19), we ask our shareholders to **exercise voting rights beforehand in writing or via the Internet and refrain from attending this Ordinary General Meeting of Shareholders in person, if at all possible.** Please read the attached REFERENCE DOCUMENTS OF THE GENERAL MEETING OF SHAREHOLDERS and exercise your voting rights in writing or via the Internet so that it will reach us by 5 p.m., Thursday, June 17, 2021. (Please refer to "Information on Exercise of Voting Rights" on pages 3 to 4.)

As a countermeasure against COVID-19, the number of seats available will be greatly limited, as we will increase the seating space in the venue. Therefore, **pre-registration is required in order to attend the meeting in person (if the number of applications exceeds the capacity, we will hold a random draw to select the participants)**.

If you wish to attend, please register in advance using the enclosed "Pre-registration Application Form."

1. Date: 10 a.m., Friday, June 18, 2021 (Reception commences at 9 a.m.)

2. Place: The Hō Banquet Hall (2F), Hotel New Otani Osaka
4-1, Shiromi 1-chome, Chuo-ku, Osaka

3. Objectives of the Meeting:

Reports:

1. The Business Report, the Consolidated Financial Statements and the report of the audit of the Consolidated Financial Statements by the Independent Auditor and Audit & Supervisory Board for the 97th Fiscal Term (from April 1, 2020 to March 31, 2021) will be reported at the meeting.
2. The Non-Consolidated Financial Statements for the 97th Fiscal Term (from April 1, 2020 to March 31, 2021) will be reported at the meeting.

Agenda:

Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Election of Eleven (11) Directors
Proposal No. 3: Election of Two (2) Audit & Supervisory Board Members

*Other matters relating to ordinary general meetings of shareholders

(1) In the event that a shareholder provides no indication of approval or disapproval with regard to the proposals, the shareholder shall be considered to have expressed approval, which shall be handled accordingly.

(2) In the event that a vote is exercised in duplicate via enclosed Exercise Voting Rights Form and via the Internet, or more than one vote is exercised electronically, the latest vote shall be effective.

(3) For those attending, please present the admission notice and the enclosed Exercise Voting Rights Form at the reception desk on arrival at the meeting. Please take note that persons other than shareholders who can exercise voting rights, such as proxy agents who are not shareholders or those accompanying shareholders, will not be permitted to enter the meeting venue.

- This Notice of Meeting does not include the part of the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by Audit & Supervisory Board Members and Independent Auditor in preparing the respective reports of audit. The Notes to Consolidated Financial Statements, the Notes to Non-Consolidated Financial Statements, also the Consolidated Statements of Cash Flows and the Operating Segment Information as reference materials are provided on ITOCHU Corporation's website (https://www.itochu.co.jp/en/ir/shareholder/general_meeting/), pursuant to the provisions of applicable laws and regulations as well as Article 16 of ITOCHU Corporation's Articles of Incorporation.
- If circumstances are generated whereby revisions should be made to the content of the Business Report, the Consolidated Financial Statements, the Non-Consolidated Financial Statements or the REFERENCE DOCUMENTS OF THE GENERAL MEETING OF SHAREHOLDERS, such notification shall be published on ITOCHU Corporation's website (https://www.itochu.co.jp/en/ir/shareholder/general_meeting/).

Information on Exercise of Voting Rights

The right to vote at the general meeting of shareholders is a principal right of shareholders.
Please exercise your voting rights after reading the attached REFERENCE DOCUMENTS OF THE GENERAL MEETING OF SHAREHOLDERS.
You may exercise your voting rights by one of the following three methods.

1. Instructions on exercise of voting rights in writing (by mail)

Please indicate your approval or disapproval to each of the proposals on the enclosed Exercise Voting Rights Form and return it to ITOCHU Corporation.

<Voting deadline>
Your vote must be arrived at ITOCHU Corporation no later than 5 p.m. on Thursday, June 17, 2021.

2. Instructions on exercise of voting rights via the Internet

Please follow the instructions on the next page and input your approval or disapproval to each of the proposals.

<Voting deadline>
You have to complete to enter your approval or disapproval of the proposal by 5 p.m. on Thursday, June 17, 2021.

3. Instructions on attending the general meeting of shareholders and exercising voting rights (Pre-registration system)

Please review the enclosed leaflet and apply for pre-registration.

・If you have exercised your voting rights both in writing (by mail) and via the Internet, the last one to arrive at ITOCHU Corporation shall be deemed effective. Also, if both votes have arrived on the same day, the one exercised via the Internet will be deemed effective.
・If you have exercised your voting rights multiple times via the Internet, the last one shall be deemed effective.

Exercise of Voting Rights via the Internet

<Scanning QR code "smart vote">

You can simply login to the website for the exercise of voting rights without entering your voting rights exercise code and password.

1. Please scan the QR code located on the bottom right of the Exercise Voting Rights Form.
   * "QR code" is a registered trademark of DENSO WAVE INCORPORATED.

2. Indicate your approval or disapproval by following the instructions on the screen.
   Note that you can exercise your voting rights only once by using "smart vote"
   If you want to change your votes after exercising your voting rights, please access the PC site, log in with the voting rights exercise code and password on the Exercise Voting Rights Form, and exercise your voting rights again. It is possible to access the PC site by re-reading the QR code.

<Entering voting rights exercise code and password>

[Website for the exercise of voting rights] https://www.web54.net (This website is available in Japanese only.)

1. Please access the website for the exercise of voting rights

2. Enter your voting rights exercise code printed on the Exercise Voting Rights Form.

3. Enter your password printed on the Exercise Voting Rights Form.

4. Indicate your approval or disapproval by following the instructions on the screen.

If you are unclear as to the operation of your PC, smart phone, and mobile phone regarding the exercise of voting rights via the Internet, please contact the following number.

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support (dedicated line)
Tel: 0120-652-031 (toll free, available only in Japan)
(Service hours: 9 a.m. to 9 p.m.)

Institutional investors may use the "Voting Rights Electronic Exercise Platform" operated by ICJ Co., Ltd.

REFERENCE DOCUMENTS OF THE GENERAL MEETING OF SHAREHOLDERS

Proposals and references

Proposal No. 1: Appropriation of Surplus

ITOCHU Corporation has the following intention with regard to Appropriation of Surplus.

Term-end Dividends

Our policy seeks the enhancement of shareholder returns through a focus on enhancing consistent dividends on a real-amount base. For the FY2021 shareholder dividend, we plan to pay ¥88 per share (including an interim dividend of ¥44), which is the record high in ITOCHU Corporation, and propose to pay a term-end dividend of ¥44 for the current term.

(1) Type of the dividend assets
Cash

(2) Allocation of dividend assets to be paid to shareholders and total dividend amount:
¥44 per share of common stock
Total: ¥65,446,804,060

(3) Date on which the appropriation of surplus goes into effect:
June 21, 2021

Proposal No. 2: Election of Eleven (11) Directors

At the conclusion of this Ordinary General Meeting of Shareholders, the terms of office of the ten (10) current directors will expire: Masahiro Okafuji, Yoshihisa Suzuki, Tomofumi Yoshida, Yuji Fukuda, Fumihiko Kobayashi, Tsuyoshi Hachimura, Atsuko Muraki, Harufumi Mochizuki, Masatoshi Kawana and Makiko Nakamori. Accordingly, we hereby propose to elect eleven (11) directors, increasing the number of directors by one (1) to further enhance the management system. The candidates for the new directors are as follows:

Of the eleven (11) candidates, four (4) are candidates for Outside Directors.

(For independence criteria for Outside Directors of ITOCHU Corporation, please refer to pages 21 to 22.)

No.	Name	Current position and responsibility in ITOCHU Corporation	Number of Attendance at Meetings of the Board of Directors	Number of years in office	Governance and Remuneration Committee	Nomination Committee
1	＊ Masahiro Okafuji [Reelection] [Male]	Chairman & Chief Executive Officer	12/12 (100%)	17 years	○	○
2	Yoshihisa Suzuki [Reelection] [Male]	Vice Chairman	12/12 (100%)	5 years	–	–
3	＊ Keita Ishii [New election] [Male]	President & Chief Operating Officer	–	–	○	○
4	＊ Tomofumi Yoshida [Reelection] [Male]	Member of the Board, Executive Vice President President, General Products & Realty Company	12/12 (100%)	6 years and 9 months	–	–
5	＊ Yuji Fukuda [Reelection] [Male]	Member of the Board, Executive Vice President CEO for East Asia Bloc; CEO for Asia & Oceania Bloc; Executive Advisory Officer for CP & CITIC Operations	12/12 (100%)	5 years and 9 months	–	–
6	＊ Fumihiko Kobayashi [Reelection] [Male]	Member of the Board, Executive Vice President Chief Administrative Officer	12/12 (100%)	6 years	※	○
7	＊ Tsuyoshi Hachimura [Reelection] [Male]	Member of the Board, Executive Vice President Chief Financial Officer	12/12 (100%)	6 years	–	–
8	Atsuko Muraki [Reelection] [Outside] [Independent] [Female]	Member of the Board	12/12 (100%)	5 years	–	◎
9	Masatoshi Kawana [Reelection] [Outside] [Independent] [Male]	Member of the Board	12/12 (100%)	3 years	◎	○
10	Makiko Nakamori [Reelection] [Outside] [Independent] [Female]	Member of the Board	12/12 (100%)	2 years	–	○
11	Kunio Ishizuka [New election] [Outside] [Independent] [Male]	–	–	–	○	–

◎: Chair

○: Member

※: Observer

Notes:
1. "＊" indicates persons to be elected as representative directors at the Board of Directors meeting held after the conclusion of this Ordinary General Meeting of Shareholders in the event that this proposal is approved.
2. The number of years in office as a director is counted as of the conclusion of this Ordinary General Meeting of Shareholders.
3. The total number of years in office, including the number of years as a director in the past, is shown for Mr. Tomofumi Yoshida and Mr. Yuji Fukuda.
4. The above list shows the persons to compose the respective advisory committees in the case of approval at this Ordinary General Meeting of Shareholders.
5. The Outside Directors are listed in order of their appointment as director of ITOCHU Corporation.

Policy and Process for Appointing Candidates for Directors

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, ITOCHU Corporation's Board of Directors consists of, in principle, the Chairman, President, officers in charge of headquarters administrative functions, one appropriate Division Company president as an (internal) director, and such several Outside Directors that the percentage of Outside Directors in our Board of Directors is one-third or more to improve supervisory function of the Board of Directors. In nominating Outside Directors, ITOCHU Corporation prioritizes candidates with higher independence, based on the criteria for "independent directors" prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members," who with his or her experience and knowledge in the relevant category, are expected to contribute to the management of ITOCHU Corporation. Proposal on candidates for directors is created by Chairman & Chief Executive Officer taking into consideration diversity such as knowledge, experience, gender and international experience, and submitted to the Nomination Committee for further deliberation before the Board of Directors finally nominates the candidates for election at the General Meeting of Shareholders.

No.	Name	Brief personal history (Important concurrent occupations or positions)		
1 Reelection	Masahiro Okafuji (December 12, 1949) Number of Attendance at Meetings of the Board of Directors: 12/12 (100%) Number of ITOCHU Corporation's shares held (of which, number of shares to be provided under the stock remuneration plan): 275,713 shares (104,018 shares)	April	1974	Joined ITOCHU Corporation
		June	2002	Executive Officer
		April	2004	Managing Executive Officer
		June	2004	Managing Director
		April	2006	Senior Managing Director
		April	2009	Executive Vice President
		April	2010	President & Chief Executive Officer
		April	2018	Chairman & Chief Executive Officer (current position)
		(Important concurrent occupations or positions) Outside Director, NISSIN FOODS HOLDINGS CO., LTD.		
		Reason for the nomination of the candidate for director Since joining ITOCHU Corporation, Mr. Masahiro Okafuji has primarily engaged in textile-related business including brand marketing business. After serving in key positions including President of the Textile Company, he assumed the position of President & Chief Executive Officer of ITOCHU Corporation in April 2010. Since then, he has thoroughly pursued outstanding commitment-based management and a hands-on approach, and has significantly increased corporate value through excellent management skills and leadership. He assumed the position of Chairman & Chief Executive Officer of ITOCHU Corporation in April 2018. As he possesses a track record as the top executive of ITOCHU Corporation and outstanding knowledge of general trading company management overall and global operational management, we propose him as a candidate for director.		

<table>
<tr><th>No.</th><th>Name</th><th colspan="3">Brief personal history
(Important concurrent occupations or positions)</th></tr>
<tr><td rowspan="11">2
Reelection</td><td rowspan="11">Yoshihisa Suzuki
(June 21, 1955)

Number of Attendance at Meetings of the Board of Directors: 12/12 (100%)

Number of ITOCHU Corporation's shares held
(of which, number of shares to be provided under the stock remuneration plan):
136,954 shares
(63,470 shares)</td><td>April</td><td>1979</td><td>Joined ITOCHU Corporation</td></tr>
<tr><td>June</td><td>2003</td><td>Executive Officer</td></tr>
<tr><td>April</td><td>2006</td><td>Managing Executive Officer</td></tr>
<tr><td>April</td><td>2011</td><td>Advisor</td></tr>
<tr><td>June</td><td>2011</td><td>Executive Vice President, JAMCO Corporation</td></tr>
<tr><td>June</td><td>2012</td><td>Chief Executive Officer, JAMCO Corporation</td></tr>
<tr><td>April</td><td>2016</td><td>Senior Managing Executive Officer of ITOCHU Corporation
President, ICT & Financial Business Company</td></tr>
<tr><td>June</td><td>2016</td><td>Member of the Board, Senior Managing Executive Officer</td></tr>
<tr><td>April</td><td>2018</td><td>President & Chief Operating Officer</td></tr>
<tr><td>April</td><td>2020</td><td>President & Chief Operating Officer;
Chief Digital & Information Officer</td></tr>
<tr><td>April</td><td>2021</td><td>Vice Chairman (current position)</td></tr>
<tr><td colspan="4">Reason for the nomination of the candidate for director
Since joining ITOCHU Corporation, Mr. Yoshihisa Suzuki has primarily engaged in aviation-related business. After serving in key positions including President & CEO of ITOCHU International Inc., Chief Executive Officer of JAMCO Corporation and President of ICT & Financial Business Company, he assumed the position of President & Chief Operating Officer of ITOCHU Corporation in April 2018. He has strongly promoted management for sustainable growth through such initiatives as reinvention of business and smart management, demonstrating excellent management skills. From April 2021, he provides advice to the executives of ITOCHU Corporation as Vice Chairman and carries out business activities. As he possesses abundant work experience in ITOCHU Corporation and outstanding knowledge of general trading company management overall and global operational management, we propose him as a candidate for director.</td></tr>
<tr><td rowspan="11">3
New election</td><td rowspan="11">Keita Ishii
(October 23, 1960)

Number of ITOCHU Corporation's shares held
(of which, number of shares to be provided under the stock remuneration plan):
96,166 shares
(29,663 shares)</td><td>April</td><td>1983</td><td>Joined ITOCHU Corporation</td></tr>
<tr><td>April</td><td>2004</td><td>General Manager, Organic Chemicals Department No.1</td></tr>
<tr><td>April</td><td>2010</td><td>Chief Officer for Indo-China;
President, ITOCHU (Thailand) Ltd.;
President, ITOCHU Management (Thailand) Co., Ltd.</td></tr>
<tr><td>April</td><td>2014</td><td>Executive Officer of ITOCHU Corporation
Chief Operating Officer, Chemicals Division</td></tr>
<tr><td>April</td><td>2016</td><td>Executive Vice President, Energy & Chemicals Company;
Chief Operating Officer, Chemicals Division</td></tr>
<tr><td>April</td><td>2017</td><td>Managing Executive Officer</td></tr>
<tr><td>April</td><td>2018</td><td>President, Energy & Chemicals Company</td></tr>
<tr><td>April</td><td>2020</td><td>Senior Managing Executive Officer
President, Energy & Chemicals Company
Chief Operating Officer, Power & Environmental Solution Division</td></tr>
<tr><td>April</td><td>2021</td><td>President & Chief Operating Officer (current position)</td></tr>
<tr><td colspan="4">Reason for the nomination of the candidate for director
Since joining ITOCHU Corporation, Mr. Keita Ishii has primarily engaged in chemicals-related business, and after he served as President of ITOCHU (Thailand) Ltd., and Chief Operating Officer of Chemicals Division, as President of Energy & Chemicals Company since April 2018, he has been working to build a revenue base for our energy and chemicals businesses, enter the electric power sales market, promote the development of strategies for next-generation electric power businesses, such as the storage battery business, and was appointed President & Chief Operating Officer in April 2021. As he possesses abundant work experience in ITOCHU Corporation and outstanding knowledge of general trading company management overall and global operational management, we propose him as a candidate for director.</td></tr>
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<tr><th>No.</th><th>Name</th><th colspan="3">Brief personal history
(Important concurrent occupations or positions)</th></tr>
<tr><td rowspan="11">4
Reelection</td><td rowspan="11">Tomofumi Yoshida
(September 5, 1956)

Number of Attendance at Meetings of the Board of Directors:
12/12 (100%)

Number of ITOCHU Corporation’s shares held
(of which, number of shares to be provided under the stock remuneration plan):
97,565 shares
(28,115 shares)</td><td>April</td><td>1979</td><td>Joined ITOCHU Corporation</td></tr>
<tr><td>April</td><td>2007</td><td>Executive Officer</td></tr>
<tr><td>April</td><td>2010</td><td>Managing Executive Officer</td></tr>
<tr><td>April</td><td>2012</td><td>President, ICT, General Products & Realty Company</td></tr>
<tr><td>June</td><td>2012</td><td>Member of the Board, Managing Executive Officer</td></tr>
<tr><td>April</td><td>2014</td><td>Member of the Board, Senior Managing Executive Officer</td></tr>
<tr><td>April</td><td>2016</td><td>Senior Managing Executive Officer
President & CEO, ITOCHU International Inc.</td></tr>
<tr><td>April</td><td>2018</td><td>President, General Products & Realty Company (current position)</td></tr>
<tr><td>June</td><td>2018</td><td>Member of the Board, Senior Managing Executive Officer</td></tr>
<tr><td>April</td><td>2019</td><td>Member of the Board, Executive Vice President (current position)</td></tr>
<tr><td colspan="3"><u>Reason for the nomination of the candidate for director</u>
Since joining ITOCHU Corporation, Mr. Tomofumi Yoshida has primarily engaged in general merchandise-related business such as paper pulp business, and served as Chief Operating Officer of Forest Products & General Merchandise Division and President of ICT, General Products & Realty Company. In April 2016, he assumed the position of President & CEO of ITOCHU International Inc. and promoted new business cultivation and business improvements. Since April 2018, as President of General Products & Realty Company, he has overseen the management and business activities of ITOCHU Corporation’s general merchandise, construction and logistics overall, has promoted new business cultivation and business improvements, and has demonstrated excellent management skills. As he possesses abundant work experience in ITOCHU Corporation and outstanding knowledge of general trading company management overall and global operational management, we propose him as a candidate for director.</td></tr>
<tr><td rowspan="11">5
Reelection</td><td rowspan="11">Yuji Fukuda
(January 21, 1957)

Number of Attendance at Meetings of the Board of Directors:
12/12 (100%)

Number of ITOCHU Corporation’s shares held:
44,200 shares</td><td>April</td><td>1979</td><td>Joined ITOCHU Corporation</td></tr>
<tr><td>June</td><td>2006</td><td>Executive Officer</td></tr>
<tr><td>April</td><td>2009</td><td>Managing Executive Officer</td></tr>
<tr><td>April</td><td>2012</td><td>President, Energy & Chemicals Company</td></tr>
<tr><td>June</td><td>2012</td><td>Member of the Board, Managing Executive Officer</td></tr>
<tr><td>April</td><td>2015</td><td>Member of the Board, Senior Managing Executive Officer</td></tr>
<tr><td>April</td><td>2016</td><td>Senior Managing Executive Officer
CEO for Asia & Oceania Bloc;
President & CEO, ITOCHU Singapore Pte, Ltd.;
Executive Advisory Officer for CP & CITIC Operations</td></tr>
<tr><td>April</td><td>2019</td><td>Executive Vice President (current position)
CEO for East Asia Bloc (current position);
CEO for Asia & Oceania Bloc (current position);
Executive Advisory Officer for CP & CITIC Operations (current position)</td></tr>
<tr><td>June</td><td>2019</td><td>Member of the Board (current position)</td></tr>
<tr><td colspan="3"><u>Reason for the nomination of the candidate for director</u>
Since joining ITOCHU Corporation, Mr. Yuji Fukuda has primarily engaged in chemicals-related business, and served as Chief Operating Officer of Chemicals Division and President of Energy & Chemicals Company. In April 2016, he was appointed to oversee the management and business activities of ITOCHU Corporation’s Asia & Oceania Bloc overall in the concurrent roles of CEO for Asia & Oceania Bloc and Executive Advisory Officer for CP & CITIC Operations, has promoted new business cultivation and business improvements, and has demonstrated excellent management skills. In April 2019, he assumed the position of CEO for East Asia Bloc. As he possesses abundant work experience in ITOCHU Corporation and outstanding knowledge of general trading company management overall, and he has been engaged in global operational management as the top senior manager at major overseas business sites, we propose him as a candidate for director.</td></tr>
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<tr><th>No.</th><th>Name</th><th colspan="3">Brief personal history
(Important concurrent occupations or positions)</th></tr>
<tr><td rowspan="11">6
Reelection</td><td rowspan="11">Fumihiko Kobayashi
(June 21, 1957)

Number of Attendance at Meetings of the Board of Directors: 12/12 (100%)

Number of ITOCHU Corporation’s shares held
(of which, number of shares to be provided under the stock remuneration plan):
124,063 shares
(40,183 shares)</td><td>April</td><td>1980</td><td>Joined ITOCHU Corporation</td></tr>
<tr><td>April</td><td>2010</td><td>Executive Officer</td></tr>
<tr><td>April</td><td>2013</td><td>Managing Executive Officer</td></tr>
<tr><td>April</td><td>2015</td><td>Chief Administrative Officer</td></tr>
<tr><td>June</td><td>2015</td><td>Member of the Board, Managing Executive Officer</td></tr>
<tr><td>April</td><td>2017</td><td>Member of the Board, Senior Managing Executive Officer</td></tr>
<tr><td>April</td><td>2018</td><td>Chief Administrative & Information Officer</td></tr>
<tr><td>April</td><td>2019</td><td>Chief Administrative Officer (current position)</td></tr>
<tr><td>April</td><td>2021</td><td>Member of the Board, Executive Vice President (current position)</td></tr>
<tr><td colspan="3">Reason for the nomination of the candidate for director
Since joining ITOCHU Corporation, Mr. Fumihiko Kobayashi has primarily engaged in human resources-related operations, and served as General Manager of Human Resources & General Affairs Division. Since April 2015, he has implemented unique work style reforms, health management of ITOCHU Corporation, and other areas as Chief Administrative Officer. Furthermore, as the chief officer for compliance, he has overseen the construction and operation of legal affairs and compliance systems, has been working on SDGs/ESG, has promoted the strengthening of sustainability management, and has demonstrated excellent management skills. Since April 2020, he has been responsible for expanding ITOCHU’s corporate brand. As he possesses abundant work experience in ITOCHU Corporation and outstanding knowledge of general trading company management overall and global operational management, we propose him as a candidate for director.</td></tr>
<tr><td rowspan="8">7
Reelection</td><td rowspan="8">Tsuyoshi Hachimura
(July 6, 1957)

Number of Attendance at Meetings of the Board of Directors: 12/12 (100%)

Number of ITOCHU Corporation’s shares held
(of which, number of shares to be provided under the stock remuneration plan):
119,650 shares
(37,450 shares)</td><td>October</td><td>1991</td><td>Joined ITOCHU Corporation</td></tr>
<tr><td>April</td><td>2012</td><td>Executive Officer</td></tr>
<tr><td>April</td><td>2015</td><td>Managing Executive Officer
Chief Financial Officer (current position)</td></tr>
<tr><td>June</td><td>2015</td><td>Member of the Board, Managing Executive Officer</td></tr>
<tr><td>April</td><td>2018</td><td>Member of the Board, Senior Managing Executive Officer</td></tr>
<tr><td>April</td><td>2021</td><td>Member of the Board, Executive Vice President (current position)</td></tr>
<tr><td colspan="3">Reason for the nomination of the candidate for director
Since joining ITOCHU Corporation, Mr. Tsuyoshi Hachimura has primarily engaged in metals-related business, demonstrating excellent management skills while serving as Chief Executive Officer of ITOCHU Minerals & Energy of Australia Pty Ltd (IMEA), a group company of ITOCHU Corporation in Australia. He also served as CAO of ITOCHU International Inc. and as General Manager of the Finance Division of ITOCHU Corporation. Since April 2015, he has worked toward the improvement and operation of financial strategy, managerial administration, risk management, and internal control as Chief Financial Officer. He has further served for many years as the chair of key committees within ITOCHU Corporation. As he possesses abundant work experience in ITOCHU Corporation and outstanding knowledge of general trading company management overall and global operational management, we propose him as a candidate for director.</td></tr>
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No.	Name	Brief personal history (Important concurrent occupations or positions)	
8 Reelection Outside Independent	Atsuko Muraki (December 28, 1955) Number of Attendance at Meetings of the Board of Directors: 12/12 (100%) Number of ITOCHU Corporation's shares held: 2,700 shares	April 1978	Joined Ministry of Labour
		October 2005	Counsellor for Policy Evaluation, Minister's Secretariat, Ministry of Health, Labour and Welfare
		September 2006	Deputy Director-General, Equal Employment, Children and Families Bureau, Ministry of Health, Labour and Welfare
		July 2008	Director-General, Equal Employment, Children and Families Bureau, Ministry of Health, Labour and Welfare
		September 2010	Director-General for Policies on Cohesive Society, Cabinet Office
		September 2012	Director-General, Social Welfare and War Victims' Relief Bureau, Ministry of Health, Labour and Welfare
		July 2013	Vice-Minister of Health, Labour and Welfare, Ministry of Health, Labour and Welfare
		October 2015	Retired from Ministry of Health, Labour and Welfare
		June 2016	Outside Member of the Board of ITOCHU Corporation (current position)
		April 2017	Guest Professor, Tsuda University (current position)
		June 2017	Outside Audit & Supervisory Board Member, Sompo Holdings, Inc.
		June 2018	Outside Director, Sumitomo Chemical Company, Limited (current position)
		June 2019	Outside Director, Sompo Holdings, Inc. (current position)
		(Important concurrent occupations or positions) Outside Director, Sumitomo Chemical Company, Limited Outside Director, Sompo Holdings, Inc.	
		Reason for the nomination of the candidate for outside director and summary of her expected role Ms. Atsuko Muraki is nominated as a candidate for outside director because she has extensive knowledge of working environment improvement, human resource development, and social security, and other topics accumulated through many years of experience at the Ministry of Health, Labour and Welfare (and the former Ministry of Labour). We expect that she will continue to use her knowledge to supervise the performance of the directors from a professional perspective, particularly in the areas of internal control, compliance, human resource utilization and organizational revitalization. In the event that she is elected, she is expected to be involved in the nomination of candidates for the corporate officers of ITOCHU Corporation from an objective and neutral standpoint as Chair of the Nomination Committee. While she does not have experience with direct involvement in corporate management other than as an outside director of ITOCHU Corporation and as an outside director and outside audit & supervisory board member for other companies, we have determined that we can continue to leverage her high-level knowledge in the management of ITOCHU Corporation as before, and propose her as a candidate for outside director.	
		Special notes concerning the candidate for outside director Ms. Atsuko Muraki is currently an outside director of ITOCHU Corporation, and she will have served in that capacity for five (5) years at the conclusion of this Ordinary General Meeting of Shareholders. She fulfills the criteria for independent directors prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members" (please refer to pages 21 to 22) and is registered as an independent director at Tokyo Stock Exchange, Inc.	

No.	Name	Brief personal history (Important concurrent occupations or positions)	
9 Reelection Outside Independent	Masatoshi Kawana (November 27, 1953) Number of Attendance at Meetings of the Board of Directors: 12/12 (100%) Number of ITOCHU Corporation's shares held: 10,300 shares	May 1978	Joined the Department of Cardiology, Tokyo Women's Medical University
		September 1991	Research fellow at Massachusetts General Hospital, Harvard Medical School
		December 1991	Research fellow at Vanderbilt University School of Medicine
		March 2004	Professor of Cardiology, Tokyo Women's Medical University
		April 2005	President of Aoyama Hospital, Tokyo Women's Medical University
		April 2014	Vice-president of Tokyo Women's Medical University Hospital
		November 2014	Professor of General Medicine, Tokyo Women's Medical University Hospital
		June 2018	Outside Member of the Board of ITOCHU Corporation (current position)
		February 2019	Visiting Professor of Graduate School of Advanced Science and Engineering, Waseda University (current position)
		April 2019	Specially Appointed Professor of Tokyo Women's Medical University (current position)
		December 2019	Outside Director of MedPeer, Inc. (current position)
		(Important concurrent occupations or positions) Outside Director of MedPeer, Inc.	
		Reason for the nomination of the candidate for outside director and summary of his expected role Mr. Masatoshi Kawana is nominated as a candidate for outside director because he has extensive knowledge of medical care and experience in hospital management as the President of Aoyama Hospital, Tokyo Women's Medical University as well as the Vice-president of Tokyo Women's Medical University Hospital. We expect that he will continue using his knowledge to supervise the performance of the directors from a professional perspective especially in relation to Health and Productivity Management and the internal COVID-19 countermeasures that ITOCHU Corporation is promoting. In the event that he is elected, he is expected to be involved in the determination of the executive remuneration of ITOCHU Corporation as Chair of the Governance and Remuneration Committee and to be involved in the nomination of candidates for the corporate officers of ITOCHU Corporation as a member of the Nomination Committee from an objective and neutral standpoint.	
		Special notes concerning the candidate for outside director ・Mr. Masatoshi Kawana is currently an outside director of ITOCHU Corporation, and at the conclusion of this Ordinary General Meeting of Shareholders, he will have served in that capacity for three (3) years. He fulfills the criteria for independent directors prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members" (please refer to pages 21 to 22) and is registered as an independent director at Tokyo Stock Exchange, Inc. ・As a medical consultant, we were irregularly provided from Mr. Masatoshi Kawana medical advice to the Chairman and the President in case of their illness or injury and other advice on health management. Consideration paid to Mr. Masatoshi Kawana was 100,000 yen per month, but ITOCHU Corporation and Mr. Masatoshi Kawana terminated the agreement pertaining to the provision of this advice as of June 18, 2020.	

<table>
<tr><th>No.</th><th>Name</th><th colspan="3">Brief personal history
(Important concurrent occupations or positions)</th></tr>
<tr><td rowspan="14">10
Reelection
Outside
Independent</td><td rowspan="14">Makiko Nakamori
(August 18, 1963)

Number of Attendance at Meetings of the Board of Directors: 12/12 (100%)

Number of ITOCHU Corporation’s shares held:
10,500 shares</td><td>April</td><td>1987</td><td>Joined Nippon Telegraph and Telephone Corporation</td></tr>
<tr><td>October</td><td>1991</td><td>Inoue Saito Eiwa Audit Corporation (currently KPMG AZSA LLC)</td></tr>
<tr><td>April</td><td>1996</td><td>Registered as a certified public accountant</td></tr>
<tr><td>July</td><td>1997</td><td>Representative Partner, NAKAMORI CPA OFFICES (current position)</td></tr>
<tr><td>August</td><td>2000</td><td>Outside Audit & Supervisory Board Member, Oracle Corporation Japan</td></tr>
<tr><td>December</td><td>2006</td><td>Auditor (Outside), istyle Inc.</td></tr>
<tr><td>August</td><td>2008</td><td>Outside Director, Oracle Corporation Japan</td></tr>
<tr><td>December</td><td>2011</td><td>Outside Audit & Supervisory Board Member, M&A Capital Partners Co., Ltd. (current position)</td></tr>
<tr><td>June</td><td>2013</td><td>Outside Director, ITOCHU Techno-Solutions Corporation
Outside Audit & Supervisory Board Member, NEXT Co., Ltd. (currently LIFULL Co., Ltd.) (current position)</td></tr>
<tr><td>November</td><td>2015</td><td>Auditor (external), TeamSpirit Inc. (current position)</td></tr>
<tr><td>June</td><td>2019</td><td>Outside Member of the Board of ITOCHU Corporation (current position)</td></tr>
<tr><td colspan="3">(Important concurrent occupations or positions)
Representative Partner, NAKAMORI CPA OFFICES
Outside Audit & Supervisory Board Member, M&A Capital Partners Co., Ltd.
Outside Audit & Supervisory Board Member, LIFULL Co., Ltd.
Auditor (external), TeamSpirit Inc.</td></tr>
<tr><td colspan="3"><u>Reason for the nomination of the candidate for outside director and summary of her expected role</u>
Ms. Makiko Nakamori is nominated as a candidate for outside director because she has extensive knowledge of accounting and finance through her extensive experience as a certified public accountant and corporate management as a company manager in multiple executive positions. We expect her to continue using her knowledge to supervise the performance of the directors from a professional perspective, particularly in the areas of internal control, compliance, and DX. In the event that she is elected, she is expected to be involved in the nomination of candidates for the corporate officers of ITOCHU Corporation from an objective and neutral standpoint as a member of the Nomination Committee.</td></tr>
<tr><td colspan="3"><u>Special notes concerning the candidate for outside director</u>
・Ms. Makiko Nakamori is currently an outside director of ITOCHU Corporation, and at the conclusion of this Ordinary General Meeting of Shareholders, she will have served in that capacity for two (2) years. She fulfills the criteria for independent directors prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation’s “Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members” (please refer to pages 21 to 22) and is registered as an independent director at Tokyo Stock Exchange, Inc.
・Ms. Makiko Nakamori served as an outside director of ITOCHU Techno-Solutions Corporation, a subsidiary of ITOCHU Corporation, from June 2013 to June 2019.
・Although she is currently engaged in business execution of NAKAMORI CPA OFFICES as Representative Partner of the offices, there is no business relationship between the offices and ITOCHU Corporation in the most recent fiscal year.</td></tr>
</table>

No.	Name	Brief personal history (Important concurrent occupations or positions)	
11 New election Outside Independent	Kunio Ishizuka (September 11, 1949) Number of ITOCHU Corporation's shares held: 0 shares	May 1972	Joined Mitsukoshi, Ltd.
		February 2003	Executive Officer and General Manager of Operations Department, Mitsukoshi, Ltd.
		March 2004	Executive Officer, General Manager, Corporate Planning Department, Mitsukoshi, Ltd.
		March 2005	Senior Executive Officer, General Manager, Strategy Department, Mitsukoshi, Ltd.
		May 2005	President and Representative Director, Mitsukoshi, Ltd.
		April 2008	President and Representative Director, Isetan Mitsukoshi Holdings Ltd.
		February 2012	Chairman and Representative Director, Isetan Mitsukoshi Holdings Ltd.
		June 2013	Outside Director, SEKISUI CHEMICAL CO., LTD.
		June 2017	Senior Advisor, Isetan Mitsukoshi Holdings Ltd.
		July 2017	Supervisory Board Member, National Federation of Agricultural Cooperative Associations (current position)
		(Important concurrent occupations or positions) Outside Director, Welcia Holdings Co., Ltd. (scheduled to assume the position)	
		Reason for the nomination of the candidate for outside director and summary of his expected role Mr. Kunio Ishizuka is nominated as a candidate for outside director because he has extensive knowledge of corporate management and the retail industry, having served as President and Chairman of Isetan Mitsukoshi Holdings Ltd. and as a Vice Chair of Nippon Keidanren (Japan Business Federation). We expect him to use his knowledge to supervise the performance of the directors from a professional perspective, especially in relation to the business transformation that ITOCHU Corporation is promoting which incorporates the needs of the market into ITOCHU Corporation's products and services. In the event that he is elected, he is expected to provide oversight of ITOCHU Corporation's governance system, etc. from an objective and neutral standpoint as a member of the Governance and Remuneration Committee.	
		Special notes concerning the candidate for outside director Mr. Kunio Ishizuka fulfills the criteria for independent directors prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members" (please refer to pages 21 to 22) and will be registered as an independent director at Tokyo Stock Exchange, Inc.	

Notes:
1. All candidates do not have any special interest with ITOCHU Corporation.
2. The number of ITOCHU Corporation's shares held by each candidate includes the number of shares noted in parentheses which indicates shares scheduled to be provided in accordance with the stock remuneration plan when the candidate retires (i.e., a number of shares commensurate with vested points under the performance-linked stock remuneration plan (trust type)). Please refer to the attached Business Report "(3) Remunerations etc. to Directors and Audit & Supervisory Board Members" for the overview of the remuneration plan for directors of ITOCHU Corporation.
3. Ms. Atsuko Muraki, Mr. Masatoshi Kawana, Ms. Makiko Nakamori and Mr. Kunio Ishizuka are candidates for Outside Directors.
4. ITOCHU Corporation, in order for its Outside Directors to perform their expected roles fully, has provided in Article 24 of its Articles of Incorporation that it may conclude an agreement with an outside director limiting his or her liability to an amount provided for by laws and regulations as long as there are good faith and no gross negligence regarding the outside director's performance of duties. Therefore, in the event that this proposal is approved, we intend to continue the agreements on limited liability that it has concluded with Ms. Atsuko Muraki, Mr. Masatoshi Kawana, Ms. Makiko Nakamori, and intend to also conclude an agreement on limited liability with Mr. Kunio Ishizuka.
   The content of the contract can be outlined as follows:
   - It limits, based on the provisions of Article 427, Paragraph 1 of the Companies Act, responsibility as specified in Article 423, Paragraph 1 of that Act.
   - As long as there are good faith and no gross negligence regarding an outside director's performance of duties, ITOCHU Corporation may limit responsibility to the extent permitted under Article 425, Paragraph 1 of that Act.
5. ITOCHU Corporation has entered into a director and officer's liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The policy covers the compensation for damages and litigation costs incurred in damage suits against an insured person arising from the performance of duties of the insured. The candidates will be included as insured persons in the policy. In addition, when the policy is renewed, we plan to renew the policy with the same terms.

Proposal No. 3: Election of Two (2) Audit & Supervisory Board Members

The terms of office of the current Outside Audit & Supervisory Board Members Shingo Majima and Kotaro Ohno will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, we hereby propose the election of two (2) Outside Audit & Supervisory Board Members. The candidates for the new Audit & Supervisory Board Members are as follows.

The Audit & Supervisory Board has given its accord to this proposal.

(Please refer to pages 21 to 22 for the independence criteria of Outside Audit & Supervisory Board Members.)

Policy and Process for Appointing Candidates for Audit & Supervisory Board Members

In order to appropriately audit and supervise management as Audit & Supervisory Board Members of a general trading company with broad range of business, candidates for Audit & Supervisory Board Members are selected from those with understanding about ITOCHU Corporation's management, high-level expertise in fields including accounting, finance, law, and risk management, and a broad range of experience. As a company with a Audit & Supervisory Board, half or more of the members always consist of Outside Audit & Supervisory Board Members. In nominating Outside Audit & Supervisory Board Members, ITOCHU Corporation prioritizes candidates with higher independence, based on the criteria for "independent auditors" prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members," who with his or her high-level expertise and extensive experience in the relevant category, are expected to appropriately audit and supervise the management of ITOCHU Corporation. Moreover, among the Audit & Supervisory Board Members, ITOCHU Corporation nominates at least one person who possesses considerable knowledge concerning finance and accounting. A proposal on candidates for Audit & Supervisory Board Members is created by Chairman & Chief Executive Officer through consultation with full-time Audit & Supervisory Board Members with consent of the Audit & Supervisory Board. It is then submitted to the Nomination Committee for further deliberation before the Board of Directors finally nominates the candidates for election at the General Meeting of Shareholders.

No.	Name	Brief personal history (Important concurrent occupations or positions)
1 Reelection Outside Independent	Shingo Majima (September 24, 1946) Number of Attendance at Meetings of the Board of Directors: 12/12 (100%) Number of Attendance at Meetings of the Audit & Supervisory Board: 14/14 (100%) Number of ITOCHU Corporation's shares held: 0 shares	March 1972 Registered as a certified public accountant Established Certified Public Accountant Office of Shingo Majima September 1975 Joined Peat Marwick Mitchell & Co. New York Office (currently KPMG LLP) March 1981 Registered as a certified public accountant, USCPA (New York) July 1987 Partner, Audit Division, KPMG LLP July 1997 Partner in charge of Japanese Practice for U.S./Northeast and Midatlantic area (audit, tax and consulting department): Partner in charge of Japanese Practice for U.S. audit department, KPMG LLP January 2005 Advisor, KPMG LLP September 2005 Retired from KPMG LLP April 2006 Professor, Faculty of Commerce, Chuo University May 2007 Outside Director, Aderans Co., Ltd. November 2011 Director, the Institute of Accounting Research, Chuo University June 2012 Outside Director, WIN INTERNATIONAL CO., LTD. April 2013 Outside Director, WIN-Partners Co., Ltd. (current position) June 2013 Outside Audit & Supervisory Board Member, ITOCHU Corporation (current position) May 2017 Executive Director, CHUO UNIVERSITY (Important concurrent occupations or positions) Outside Director, WIN-Partners Co., Ltd. <u>Reason for the nomination of the candidate for outside audit & supervisory board member</u> While Mr. Shingo Majima does not have experience with direct involvement in corporate management other than as an outside audit & supervisory board member of ITOCHU Corporation and as an outside director for other companies, he is nominated as a candidate for outside audit & supervisory board member based on his advanced specialist knowledge of finance and accounting audit as well as wealth of experience acquired over many years as a certified public accountant. We expect that he will continue to conduct appropriate audits from a neutral and objective perspective as an outside audit & supervisory board member. In the event that he is elected, he is expected to be involved in the determination of the executive remuneration of ITOCHU Corporation from an objective and neutral standpoint as a member of the Governance and Remuneration Committee. <u>Special notes concerning the candidate for outside audit & supervisory board member</u> Mr. Shingo Majima is currently an outside audit & supervisory board member of ITOCHU Corporation, and he will have served in that capacity for eight (8) years at the conclusion of this Ordinary General Meeting of Shareholders. He fulfills the criteria for independent Audit & Supervisory Board Members prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Corporate Auditors" (please refer to pages 21 to 22) and is registered as an independent audit & supervisory board member at Tokyo Stock Exchange, Inc.

No.	Name	Brief personal history (Important concurrent occupations or positions)	
2 New election Outside Independent	Masumi Kikuchi (July 10, 1946) Number of ITOCHU Corporation's shares held: 0 shares	July 1969	Joined Japanese National Railways
		April 1987	Joined East Japan Railway Company
		February 1989	Project Manager, Tokyo Area Sales Headquarters, East Japan Railway Company
		June 1993	Director, Tokyo Area Station Building Development Co., Ltd.
		April 2004	Representative Director and Executive Vice President; General Manager, Marketing Development Division, Tokyo Area Station Building Development Co., Ltd.
		June 2008	President and Representative Director, Sendai Terminal Building. Co., Ltd.
		June 2012	President and Representative Director, Atre Co., Ltd.
		June 2014	Chairman and Director, Atre Co., Ltd.
		June 2016	Senior Corporate Advisor and Director, Atre Co., Ltd.
		June 2017	Marketing Advisor, Life-Style Business Development Headquarters, East Japan Railway Company
		June 2017	Advisor, Atre Co., Ltd. (current position)
		Reason for the nomination of the candidate for outside audit & supervisory board member Mr. Masumi Kikuchi is nominated as a candidate for outside audit & supervisory board member as he has extensive executive experience having served as President and Representative Director of that East Japan Railway Company group's subsidiary Sendai Terminal Building Co., Ltd., and as President and Representative Director, and Director and Chairman of Atre Co., Ltd., after he worked in East Japan Railway Company. He contributed significantly to expanding the scale of Atre Co., Ltd. through station building developments with a production style providing overall direction. We expect that he will conduct audits from a multifaceted, neutral and objective perspective as an outside audit & supervisory board member. In the event that he is elected, he is expected to be involved in the determination of the executive remuneration of ITOCHU Corporation from an objective and neutral standpoint as a member of the Governance and Remuneration Committee.	
		Special notes concerning the candidate for outside audit & supervisory board member Mr. Masumi Kikuchi fulfills the criteria for independent Audit & Supervisory Board Members prescribed by the Tokyo Stock Exchange, Inc. and ITOCHU Corporation's "Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members" (please refer to pages 21 to 22) and will be registered as an independent audit & supervisory board member at Tokyo Stock Exchange, Inc.	

Notes: 1. All candidates do not have any special interest with ITOCHU Corporation.

2. ITOCHU Corporation, in order for its Outside Audit & Supervisory Board Members to perform their expected roles fully, has provided in Article 31 of the Company's Articles of Incorporation that it may conclude an agreement with an outside audit & supervisory board member limiting his or her liability to an amount provided for by laws and regulations as long as there are good faith and no gross negligence regarding the outside audit & supervisory board member's performance of duties. Therefore, in the event that this proposal is approved, we intend to continue the agreement on limited liability that it has concluded with Mr. Shingo Majima, and intend to also conclude an agreement on limited liability with Mr. Masumi Kikuchi.

   The content of the contract can be summarized as follows:

   - It limits, based on the provisions of Article 427, Paragraph 1 of the Companies Act, responsibility as specified in Article 423, Paragraph 1 of that Act.
   - As long as there are good faith and no gross negligence regarding an outside audit & supervisory board member's performance of duties, ITOCHU Corporation may limit responsibility to the extent permitted under Article 425, Paragraph 1 of that Act.

3. ITOCHU Corporation has entered into directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The policy covers the compensation for damages and litigation costs incurred in damage suits against an insured person arising from the performance of duties of the

insured. The candidates will be included as insured persons in the policy. In addition, when the policy is renewed, we plan to renew the policy with the same terms.

If this proposal is approved as submitted, the Audit & Supervisory Board is scheduled to be comprised of the following.

	Name	Position in ITOCHU Corporation	Number of Attendance at Meetings of the Board of Directors	Number of Attendance at Meetings of the Audit & Supervisory Board	Number of years in office	Governance and Remuneration Committee	Nomination Committee
	Shuzaburo Tsuchihashi	Full-time Audit & Supervisory Board Member	12/12 (100%)	14/14 (100%)	3 years	–	※
	Makoto Kyoda	Full-time Audit & Supervisory Board Member	9/9 (100%) (since his appointment)	10/10 (100%) (since his appointment)	1 year	○	–
Outside Independent	Shingo Majima	Audit & Supervisory Board Member	12/12 (100%)	14/14 (100%)	8 years	○	–
Outside Independent	Kentaro Uryu	Audit & Supervisory Board Member	12/12 (100%)	14/14 (100%)	6 years	–	○
Outside Independent	Masumi Kikuchi	Audit & Supervisory Board Member	–	–	–	○	–

○: Member

※: Observer

Notes:
1. The number of years in office as an audit & supervisory board member is measured as of the conclusion of this Ordinary General Meeting of Shareholders.
2. The above list shows the persons (intended) to compose the respective advisory committees after this Ordinary General Meeting of Shareholders.
3. The Outside Audit & Supervisory Board Members are listed in order of their appointment as the Audit & Supervisory Board Member of ITOCHU Corporation.

[Reference] ITOCHU Corporation Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members

For Outside Directors or Outside Audit & Supervisory Board Members of ITOCHU Corporation to be qualified as "independent directors/auditors" as defined by the Tokyo Stock Exchange, Inc., they must NOT fall under any of the following items:

A. A person whose major business partner is ITOCHU Corporation or an executing person (Note 1) of such person
   - "A person whose major business partner is ITOCHU Corporation" in the above criteria means a person whose accounts receivable from ITOCHU Corporation exceed 2% of such person's consolidated net sales in any one of its last three (3) fiscal years.

B. A person who is a major business partner of ITOCHU Corporation or an executing person of such person
   - "A person who is a major business partner of ITOCHU Corporation" in the above criteria means a person to which ITOCHU Corporation's revenues exceed 2% of ITOCHU Corporation's consolidated revenues in any one of ITOCHU Corporation's last three (3) fiscal years.

C. 1. A consultant, an accounting professional, a legal professional, or a tax professional receiving a significant amount of money or other assets from ITOCHU Corporation other than executive remunerations (which shall be read as a consultant, an accounting professional, a legal professional, or a tax professional of an organization if such person receiving the said assets is an organization such as corporation and partnership)
      - "A significant amount of money" in the above criteria means, if such person receiving the money is an individual, 10 million yen or higher per year on average of the past three years, or, if such person is an organization, in respect of the payments made by ITOCHU Corporation on average over the last three (3) fiscal years (of such organization), the higher of 10 million yen or 2% of the consolidated gross sales of the organization.
   2. A member or a partner of an auditing firm which is Independent Auditor of ITOCHU Corporation, or other accounting professional who undertakes audits on ITOCHU Corporation or its subsidiary.

D. A major shareholder (or its executing person) of ITOCHU Corporation
   - "A major shareholder" in the above criteria means a shareholder who directly or indirectly holds 10% or more of voting rights of ITOCHU Corporation.

E. A director or other executing person of an organization (limited to those who are involved in business execution of such organization) to which ITOCHU Corporation has made a significant amount of donation
   - "A significant amount of donation" in the above criteria means a donation of an amount exceeding 20 million yen per year on average over the last three (3) fiscal years.

F. A major lender of ITOCHU Corporation, its parent company, or their respective executing person
   - "A major lender" of ITOCHU Corporation in the above criteria means the top three (3) companies of the lenders of ITOCHU Corporation in terms of the amount of borrowings in the last fiscal year.

G. A person who was an executing person of ITOCHU Corporation or its subsidiary at a certain point in time during ten (10) years prior to their appointment

H. An executing person of a company which has Director(s) on loan from ITOCHU Corporation

I. 1. In case there is an organization falling under A, B or C-1 above as of their appointment, a person who belonged to such organization at a certain point in time during three (3) years prior to their appointment.

2. A person who fell under C-2 above at a certain point in time during three (3) years prior to their appointment.

3. In case there is an organization falling under E above as of their appointment, a person who belonged to such organization at a certain point in time during three (3) years prior to their appointment.

4. A person who fell under D or F above at a certain point in time during three (3) years prior to their appointment.

J. A close relative (Note 2) of a person falling under one of the following items (limited to an important person)

(A) A person falling under any of items A through C above, or a person falling under I-1 or I-2 (For A and B, an "important person" means an executive director, executive officer or corporate officer. For C-1, "important person" means, in case of an organization, a member or a partner of such organization, and for C-2, "important person" means a member, a partner or an accounting professional who directly engages in auditing on ITOCHU Corporation's group)

(B) An executing person of ITOCHU Corporation's subsidiary

(C) A non-executive director or an Accounting Advisor of ITOCHU Corporation's subsidiary (limited to a case where an outside audit & supervisory board member is to be designated as an independent director/auditor)

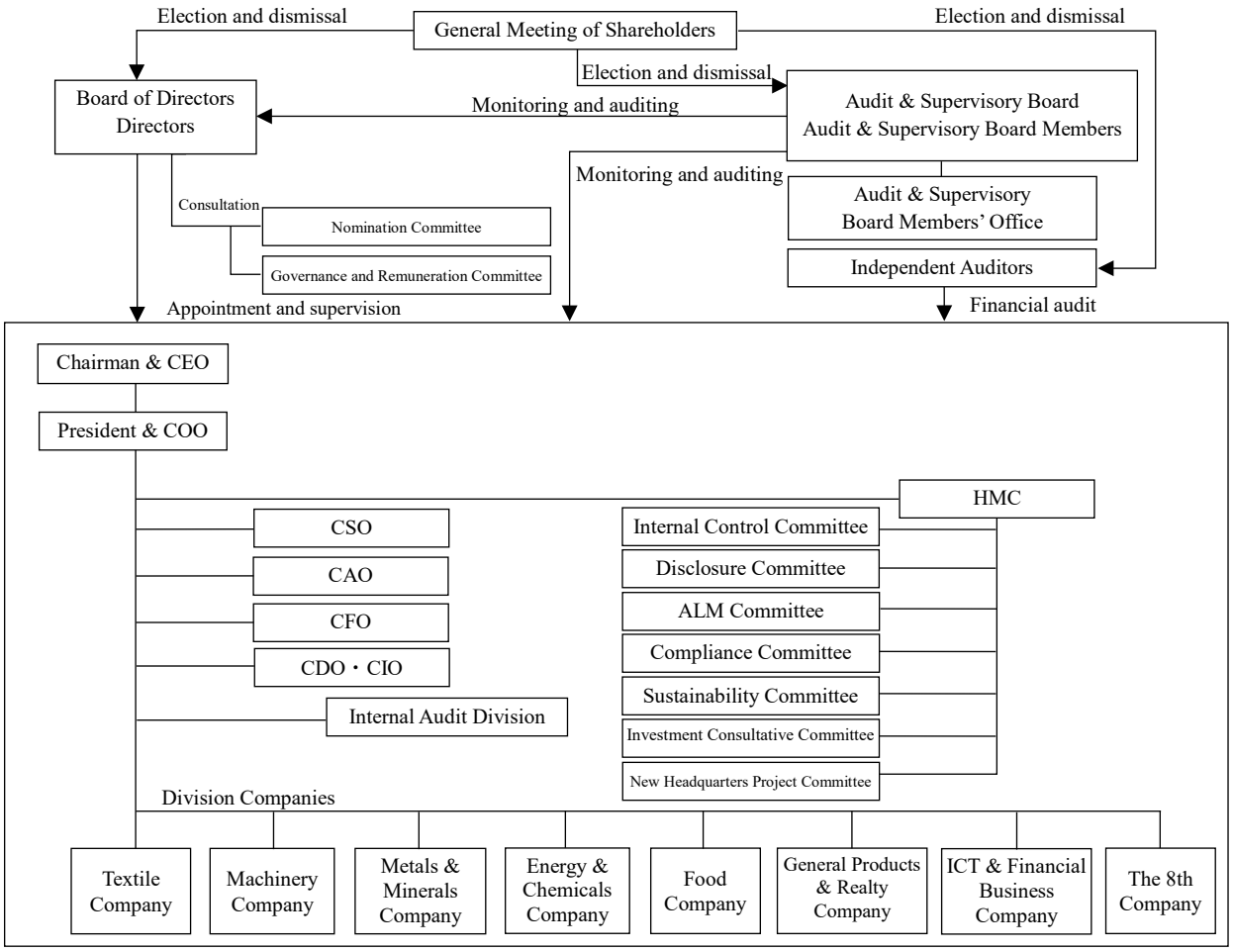
(D) A person who fell under (B) or (C), or was an executing person of ITOCHU Corporation (including non-executive director if an outside audit & supervisory board member is to be designated as an independent director/ auditor) at a certain point in time during one (1) year prior to their appointment

Notes: 1. "An executing person" means a person who executes business as provided for in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act.

2. "Close relative" means a relative within the second degree of kinship.

[Reference] Corporate Governance and Overview of Internal Control System

(as of April 1, 2021)



Notes: 1. CEO: Chief Executive Officer COO: Chief Operating Officer CSO: Chief Strategy Officer
CAO: Chief Administrative Officer CFO: Chief Financial Officer CDO・CIO: Chief Digital & Information Officer
HMC: Headquarters Management Committee ALM: Asset Liability Management

2. CAO is the chief officer for compliance. Also, each Division Company has a Division Company president.

3. Internal control systems and mechanisms have been implemented at every level of ITOCHU Corporation. Only the main internal control organization and committees are described herein.

[Reference] Ensuring Diversity of Officers

In FY2018, ITOCHU Corporation has shifted to a monitoring-oriented Board of Directors with the aim of promoting the separation of management execution and supervision. To ensure that the Board of Directors is able to provide appropriate management supervision, ITOCHU Corporation has appointed officers in charge of headquarters administrative functions and such several Outside Directors that the percentage of Outside Directors in our Board of Directors is one-third or more. By appointing Outside Directors with more specialized viewpoints and greater diversity, we are further enhancing the functions of ITOCHU Corporation's Board of Directors. In addition, by appointing Outside Audit & Supervisory Board Members with knowledge of finance, accounting and legal affairs, we are able to monitor and supervise ITOCHU Corporation's management from a neutral and objective viewpoint. ITOCHU Corporation's officers appointed in accordance with the above, both inside and outside, are engaged in management with their knowledge, experience and high level of insight in their respective fields. With respect to Outside Directors and full-time Audit & Supervisory Board Members, we indicate the following areas in which they are expected to contribute to the management of ITOCHU Corporation, in order to make maximum use of their specialized perspectives and high level of insight, according to discussion with each officer (marked with ◎).

Name	Role	Gender	Principal specialized area of experience and areas of particular potential contribution				
			All aspects of management	Global	Marketing/sales	SDGs and ESG	Health and medical care
Masahiro Okafuji	Chairman & Chief Executive Officer Representative Director	Male	○	○	○	○	○
Yoshihisa Suzuki	Vice Chairman	Male	○	○	○	○	○
Keita Ishii	President & Chief Operating Officer Representative Director	Male	○	○	○	○	○
Tomofumi Yoshida	Representative Director	Male	○	○	○	○	
Yuji Fukuda	Representative Director	Male	○	○	○	○	
Fumihiko Kobayashi	Representative Director	Male	○	○		○	○
Tsuyoshi Hachimura	Representative Director	Male	○	○	○	○	
Atsuko Muraki	Outside Director	Female				◎	◎
Masatoshi Kawana	Outside Director	Male	◎			◎	◎
Makiko Nakamori	Outside Director	Female			◎		
Kunio Ishizuka	Outside Director	Male	◎		◎		
Shuzaburo Tsuchihashi	Full-time Audit & Supervisory Board Member	Male		◎	◎		
Makoto Kyoda	Full-time Audit & Supervisory Board Member	Male				◎	
Shingo Majima	Outside Audit & Supervisory Board Member	Male		◎			
Kentaro Uryu	Outside Audit & Supervisory Board Member	Male			◎		
Masumi Kikuchi	Outside Audit & Supervisory Board Member	Male	◎		◎		

■Chair □Member ＊Observer

Name	Principal specialized area of experience and areas of particular potential contribution			Governance and Remuneration Committee	Nomination Committee	Main role, career history, qualifications, etc.
	Finance and accounting Risk management	Human resources and labor	Internal control and legal affairs /compliance			
Masahiro Okafuji	○	○	○	□	□	President, Textile Company; President & CEO, ITOCHU Corporation
Yoshihisa Suzuki	○	○	○			CEO, ITOCHU International Inc.; President, ICT & Financial Business Company; President & COO, ITOCHU Corporation
Keita Ishii	○	○	○	□	□	President, Energy & Chemicals Company, ITOCHU Corporation
Tomofumi Yoshida	○	○	○			CEO, ITOCHU International Inc.; President, General Products & Realty Company
Yuji Fukuda	○	○	○			President, Energy & Chemicals Company; CEO for East Asia Bloc; CEO for Asia & Oceania Bloc, ITOCHU Corporation
Fumihiko Kobayashi	○	○	○	＊	□	General Manager of Human Resources & General Affairs Division; Chief Administrative Officer, ITOCHU Corporation
Tsuyoshi Hachimura	○	○	○			General Manager of Finance Division; Chief Financial Officer, ITOCHU Corporation
Atsuko Muraki		◎			■	Vice-Minister of Health, Labour and Welfare
Masatoshi Kawana				■	□	Vice-president of Tokyo Women's Medical University Hospital; Doctor of Medicine
Makiko Nakamori	◎		◎		□	Certified Public Accountant
Kunio Ishizuka		◎		□		President and CEO/Chairman, Isetan Mitsukoshi Holdings Ltd.
Shuzaburo Tsuchihashi			◎		＊	President, ITOCHU Australia Ltd.; Chief Operating Officer, Metal & Mineral Resources Division, ITOCHU Corporation
Makoto Kyoda	◎		◎	□		CFO, Food Company, ITOCHU Corporation
Shingo Majima	◎		◎	□		Partner, KPMG (U.S.); Certified public Accountant in Japan and U.S. (New York State)
Kentaro Uryu	◎		◎		□	Managing Partner, URYU & ITOGA; Attorney-At-Law
Masumi Kikuchi		◎		□		President and Representative Director, Sendai Terminal Building Co., Ltd.; President and Representative Director/Director and Chairman, Atre Co., Ltd.

Notes: 1. Knowledge and experience held by internal directors are indicated with ○, and areas in which full-time Audit & Supervisory Board Members, Outside Directors and Outside Audit & Supervisory Board Members are expected to contribute in particular are indicated with ◎ as the above list shows.

2. The above list shows the composition if Proposal No. 2 and Proposal No. 3 are approved at this Ordinary General Meeting of Shareholders.

3. In order to strengthen the supervisory function of the Board of Directors and increase the transparency of the decision-making process, voluntary advisory committees have been established under the Board of Directors. The roles of each committee are as follows;

Governance and Remuneration Committee: Deliberates on the remuneration system for executive officers and directors and other governance-related proposals

Nominating Committee: Deliberates on proposals for the election and dismissal of executive officers, nomination of candidates for directors and Audit & Supervisory Board Members, dismissal of directors and Audit & Supervisory Board Members, and the selection and dismissal of directors and executive officers with special responsibilities.

[Reference] Structure of the Board of Directors

Internal directors	Outside Directors	Ratio of female directors	Ratio of Outside Directors	Distinctive feature
7	**4**	**18% (Two female directors)**	**36% (Four Outside Directors)**	Maintain the ratio of Outside Directors at more than one-third at all times. Paying attention to the diversity of the Board of Directors, in FY2020 we increased the number of female Directors (Outside Directors) from one to two. In FY2022, in order to further promote diversity, ITOCHU Corporation will invite candidates with management experience as candidates for (outside) directors.
CEO	Two males			
COO	Two females			
CAO				
CFO				
Division Company President				
Overseas				
Vice Chairman				

Notes: 1. The above list shows the composition if Proposal No. 2 is approved at this Ordinary General Meeting of Shareholders.

2. Division Company President: President of General Products & Realty Company, Overseas: CEO for East Asia Bloc; CEO for Asia & Oceania Bloc; Executive Advisory Officer for CP & CITIC Operations.

[Reference] Board of Directors' Effectiveness Evaluation

ITOCHU Corporation conducted the evaluation as to the effectiveness of the Board of Directors targeting directors and Audit & Supervisory Board Members in FY2021.

As a result of this evaluation, in terms of the structure of the Board of Directors and its advisory committees as well as the roles and duties, operation status, information provision to directors and Audit & Supervisory Board Members, and training, the Board of Directors of ITOCHU Corporation confirmed that the effectiveness of the Board of Directors was secured.

According to an external consultant, in FY2021, the Board of Directors held sufficient discussions on matters that are highly consistent with ITOCHU Corporation's mid- to long-term management strategy and that contribute to the implementation thereof, confirming that the Board of Directors is fulfilling its functions. Among other factors, the evaluation stated that the Board of Directors played an appropriate role in enhancing the involvement of Outside Directors in the management selection process and the commitment to SDGs in the next mid-term management plan, as manifestations of the effectiveness of the Board of Directors.

In regard to the issues identified in the previous evaluation ((1) further diversity, (2) the further enhancement of mid-to long-term discussions, and (3) the strengthening of provision of information to Outside Directors and Outside Audit & Supervisory Board Members), steady improvement and progress were observed.

At the same time, the findings also noted that promoting enhanced supervision of business execution and discussions that contribute to further improving corporate value, not in form, but in substance, so that the Board of Directors can further fulfill its role, is an issue to be dealt with going forward.

Based on the above effectiveness evaluation results, ITOCHU Corporation intends to actively work on enhancing discussion and strengthening supervision in order to maintain the effectiveness of the Board of Directors and further improve its functionality.

[Reference] Overview of the Internal Committees

Each internal committee carries out careful review and discussion of management issues in each field the committee oversees. Some internal committees, such as the Internal Control Committee, have outside experts among their members, who bring outside opinions into ITOCHU Corporation and assist with the execution of business by the management and decision-making by Board of Directors. The following table lists the main internal committees and their roles (as of April 1, 2021).

Name	Main topics of discussion	Chair
Internal Control Committee	• Issues related to the development of internal control systems	CAO
Disclosure Committee	• Issues related to business activity disclosure • Issues related to the development and operation of internal control systems in the area of financial reporting	CFO
Asset Liability Management (ALM) Committee	• Issues related to risk management systems • Issues related to balance sheet management	CFO
Compliance Committee	• Issues related to compliance	CAO
Sustainability Committee	• Sustainability promotion issues related to SDGs and ESG efforts (including environmental and social related issues; excluding governance-related issues)	CAO
Investment Consultative Committee	• Issues related to investment and financing	CFO
New Headquarters Project Committee	• Issues related to new Tokyo Head Office building	CAO

[Reference] Information Provision and Support Structure for Outside Directors and Outside Audit & Supervisory Board Members

It is essential that any asymmetry between information available to internal officers and information available to outside officers be reduced as much as possible so that outside officers can most effectively perform their duties of monitoring and supervising management as "the public eye" and maximize their contribution to ITOCHU Corporation's management.

As a general trading company, ITOCHU Corporation operates a wide range of business. So, we accordingly implement various measures to assist outside officers' understanding of those businesses, and strive for livelier atmosphere at the Board of Directors.

Pre-briefing

ITOCHU Corporation provides outside officers with pre-briefing to prepare them for a meeting of the Board of Directors. At pre-briefings, outside officers receive an explanation of the key points and details of each agenda item. ITOCHU Corporation strives to ensure that pre-briefings also serve to deepen understanding concerning major projects, including a background of events up until present and relevant management resolutions, along with the details of discussions held at internal management meetings. Furthermore, ITOCHU Corporation provides information on management plans by making process reports to outside officers at multiple stages of the formulation process as a way to reflect opinions from the diverse perspectives of outside officers in such plans.

Status of on-site visits

Outside officers are provided with opportunities to regularly make on-site visits to domestic and overseas business locations, group companies, and ITOCHU Corporation's business investment targets, and to have social exchange and dialogue with managers of the various companies and employees at the various sites in order to deepen understanding about the various key characteristics belonging to each of the broad scope of business activities, traded products and services, industries of the Group, so that such efforts can lead to appropriate decision making by the management.

In FY2021, although on-site visits were not carried out at overseas business locations due to the impact of COVID-19, on-site visits were made to two group companies in Japan. At C.I. TAKIRON Corporation, the first company to be visited, the outside officers engaged in lively discussion with the president and other members of the senior management regarding the strengths of that company's various traded products, details of medium-to-long-term oriented ESG management initiatives, among other matters. At DESCENTE LTD, the second company, the outside officers deepened their understanding on management policies, etc. based on that company's medium-term business plan "D-Summit2021" by listening to an explanation full of concrete detail from the senior management, visited one of that company's stores, which is the frontline for customer service, and conversed with on-site employees.

[Attached Documents]

Business Report

(From April 1, 2020 to March 31, 2021)

1. Current Conditions of the ITOCHU Group

(1) Business Progress and Achievement

[General Economic Situation]

In the fiscal year ended March 31, 2021, the global economy deteriorated significantly due to tighter restrictions on corporate activities and the movement of people to suppress the spread of COVID-19, but recovered slowly in general after restrictions were eased. While the Chinese economy kept recovering, by managing the spread of infections, in other parts of the world, including the United States and Europe, the brakes were put on the economic recovery as the resurgence of infections and restrictions were tightened in quick succession. The WTI crude oil price temporarily fell sharply in late April from the US$20–25 per barrel range at the beginning of the fiscal year, but then rebounded, and stabilized at around US$40 per barrel, due to the recovering global economy. After mid-November, the price started to increase again due to raised expectations for economic recovery backed by the roll-out of COVID-19 vaccines and the signing into law of additional large-scale economic measures in the United States, generally trending in the low US$60 range in March.

The Japanese economy started to recover moderately as consumer spending, which had cooled significantly due to the impact of COVID-19, rebounded when the state of emergency declaration was rescinded in May, and exports began increasing after the global economy had bottomed out. However, since late November, the recovery has been tempered by the resurgence of COVID-19 and the state of emergency redeclarations in some parts of the area especially in Tokyo and Osaka. The U.S. dollar-yen exchange rate started at approximately ¥107 per dollar at the beginning of the fiscal year, and the yen depreciated against the dollar to approximately ¥109 per dollar in early June, then appreciated from late July to early January to approximately ¥102 per dollar based on expectations of additional financial easing in the U.S. The yen subsequently depreciated in line with rising interest rate in the U.S. and ended the fiscal year at approximately ¥110 per dollar. The Nikkei Stock Average began the fiscal year at approximately ¥18,000 and rose to approximately ¥23,000 in early June with expectations for economic improvement in Japan. Although subsequently weakening to approximately ¥21,000 for a period, the market gradually gained resilience, and in early November it eclipsed the ¥24,000 mark, before further strengthening against the backdrop of rising U.S. stock prices and the depreciation of the yen, to pass ¥30,000 in mid-February, ended the fiscal year at approximately ¥29,000. The yield on 10-year Japanese government bonds began the fiscal year at 0.02% and generally trended flat as the Bank of Japan provided ample liquidity to the market, but from mid-January onward, it bottomed out along with the U.S. interest rates, rising to 0.17% at the end of February, and ended the fiscal year at 0.10%.

[Operating Results of the ITOCHU Group]

(Billions of Yen)

	96th Fiscal Term (FY2020)	97th Fiscal Term (FY2021)	Increase (Decrease)	%
Revenues	10,983.0	10,362.6	(620.3)	(5.6%)
Gross trading profit	1,797.8	1,780.7	(17.0)	(0.9%)
Selling, general and administrative expenses	(1,380.9)	(1,366.5)	14.5	(1.0%)
Others	284.6	98.2	(186.4)	(65.5%)
[Equity in earnings of associates and joint ventures]	[205.9]	[228.6]	[22.8]	[11.1%]
Profit before tax	701.4	512.5	(189.0)	(26.9)%
Net profit attributable to ITOCHU	501.3	401.4	(99.9)	(19.9)%

(Reference) Trading income	399.4	403.4	4.0	1.0%

Revenues for the fiscal year ended March 31, 2021 decreased by 5.6%, or 620.3 billion yen, compared to the previous fiscal year to 10,362.6 billion yen. This decrease was attributable to lower revenue from the Energy & Chemicals Company, due to lower sales prices and transaction volume in energy-related companies and chemical-related transactions; lower revenue from the Machinery Company, due to lower sales volume in overseas automobile-related companies, automobile-related and aircraft-related transactions resulting from COVID-19, partially offset by sales recovery of YANASE & CO., LTD.; lower revenue from the Textile Company, due to the decline in sales in overall transactions, especially from sales in apparel-related companies resulting from COVID-19; and higher revenue from the Food Company, due to the conversion of Prima Meat Packers, Ltd. into a consolidated subsidiary in the third quarter of the previous fiscal year, partially offset by lower transaction volume in provisions-related companies.

Gross trading profit decreased by 0.9%, or 17.0 billion yen, compared to the previous fiscal year to 1,780.7 billion yen. Gross trading profits decreased in The 8th Company due to lower daily sales in FamilyMart Co., Ltd. resulting from COVID-19; in the Machinery Company due to lower sales volume in overseas automobile-related companies, automobile-related and aircraft- related transactions resulting from COVID-19, partially offset by sales recovery of YANASE & CO., LTD.; in the Textile Company due to the decline in sales in overall transactions, especially from sales in apparel-related companies resulting from COVID-19; and increased in the ICT & Financial Business Company due to stable performance in ITOCHU Techno-Solutions Corporation and the conversion of HOKEN NO MADOGUCHI GROUP Inc. into a consolidated subsidiary in the third quarter of the previous fiscal year; in the Food Company due to the conversion of Prima Meat Packers, Ltd. into a consolidated subsidiary in the third quarter of the previous fiscal year, partially offset by lower transaction volume in provisions-related companies, and lower transaction volume in business for CVS and food service in NIPPON ACCESS, INC. resulting from COVID-19.

Selling, general and administrative expenses decreased by 1.0%, or 14.5 billion yen, compared to the previous fiscal year to 1,366.5 billion yen, due to expense reduction and lower travel expenses resulting from COVID-19, partially offset by the increase as a result of the conversion of Prima Meat Packers, Ltd. and HOKEN NO MADOGUCHI GROUP Inc. into consolidated subsidiaries in the third quarter of the previous fiscal year.

Provision for doubtful accounts decreased by 6.6 billion yen compared to the previous fiscal year to a loss of 10.8 billion yen, due to the absence of the provisions for foreign receivables in the previous fiscal year.

Gains on investments decreased by 92.9%, or 53.7 billion yen, compared to the previous fiscal year to 4.1 billion yen, due to an impairment loss in a foreign company of the Food, an impairment loss on Orient Corporation, the absence of the gain on the partial sale of the foreign business in the General Products & Realty and the revaluation gain resulting from the conversion of Prima Meat Packers, Ltd. into a consolidated subsidiary in the previous fiscal year, partially offset by the gain on the partial sale of eGuarantee, Inc. in the current fiscal year.

Losses on property, plant, equipment and intangible assets deteriorated by 153.1 billion yen, compared to the previous fiscal year to a loss of 157.5 billion yen, due to the impairment losses in FamilyMart Co., Ltd. and Australian coal-related company and the impairment loss on foreign companies of Machinery

Other-net deteriorated by 4.8 billion yen compared to the previous fiscal year to a loss of 6.2 billion yen, due to losses associated with long-term energy contracts, partially offset by improvement in foreign currency translation.

Net interest expenses, which is the total of **Interest income** and **Interest expense**, improved by 9.2 billion yen compared to the previous fiscal year to expenses of 13.1 billion yen, due to lower interest expense from falling U.S. dollar interest rates. **Dividends received** decreased by 13.3 billion yen compared to the previous fiscal year to 53.1 billion yen, due to a decrease in dividends from oil and LNG projects and the Brazilian iron ore company. Net financial income, which is the total of net interest expenses and dividends received, decreased by 4.1 billion yen compared to the previous fiscal year to a gain of 40.0 billion yen.

Equity in earnings of associates and joint ventures increased by 11.1%, or 22.8 billion yen, compared to the previous fiscal year to 228.6 billion yen. This increase was attributable to an increase in the Others, Adjustments & Eliminations (Note), due to higher earnings of CITIC Limited and higher earnings of C.P. Pokphand Co. Ltd. resulting from higher pork prices and the gain on the group reorganization; a decrease in the Machinery Company, due to lower earnings in aircraft-related companies and industrial-machinery-related companies resulting from COVID-19; and a decrease in the Food Company, due to lower earnings of provisions-related companies resulting from COVID-19 and the decrease resulting from the conversion of Prima Meat Packers, Ltd. into a consolidated subsidiary in the third quarter of the previous fiscal year, partially offset by a stable performance in meat-products-related companies.

(Note) "Others, Adjustments & Eliminations" includes gains and losses which do not belong to any operating segment and internal eliminations between operating segments.

Consequently, **Profit before tax** decreased by 26.9%, or 189.0 billion yen compared to the previous fiscal year to 512.5 billion yen. **Income tax expense** decreased by 49.7%, or 70.6 billion yen, compared to the previous fiscal year to 71.6 billion yen, due to lower profit before tax and improvements in tax expenses associated with FamilyMart Co., Ltd., partially offset by the absence of lower tax expenses in natural-resource-projects in the previous fiscal year. **Net profit**, which is calculated as profit before tax of 512.5 billion yen minus income tax expense of 71.6 billion yen, decreased by 21.2%, or 118.3 billion yen, compared to the previous fiscal year to 440.9 billion yen. **Net profit attributable to ITOCHU**, which is calculated as Net profit minus **Net profit attributable to non-controlling interests** of 39.5 billion yen, decreased by 19.9%, or 99.9 billion yen, compared to the previous fiscal year to 401.4 billion yen.

(Reference)

"Trading income" in accordance with Japanese accounting practices ("Trading income" = "Gross trading profit" + "Selling, general and administrative expenses" + "Provision for doubtful accounts") increased by 1.0%, or 4.0 billion yen, compared to the previous fiscal year to 403.4 billion yen. This increase was attributable to an increase in the Energy & Chemicals Company, due to a stable performance in chemical-related companies, higher sales volume in hygiene products and electricity transactions, and expense reduction, partially offset by the deterioration in profitability in an oil-exploration-related company resulting from lower oil price; an increase in the Food Company, due to the conversion of Prima Meat Packers, Ltd. into a consolidated subsidiary in the third quarter of the previous fiscal year and expense reduction, partially offset by lower transaction volume in provisions-related companies, and lower transaction volume for CVS and food service in NIPPON ACCESS, INC. resulting from COVID-19; and a decrease in the Machinery Company, due to lower sales volume in overseas automobile-related companies, automobile-related and aircraft-related transactions resulting from COVID-19, partially offset by expense reduction and sales recovery of YANASE & CO., LTD.; a decrease in The 8th Company due to lower daily sales in FamilyMart Co., Ltd. resulting from COVID-19, partially offset by expense reduction and the absence of the cost for the early retirement plan in the previous fiscal year; a decrease in the General Products & Realty Company due to lower sales volume in European Tyre Enterprise Limited (European tire-related company) resulting from COVID-19, partially offset by a stable performance in North American construction materials business and expense reduction.

Cautionary Notes concerning Forecasts

Data and projections contained in this business report are based on the current information available, 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.

[Main Business]

The ITOCHU Group, through its network in Japan and overseas, engages in the domestic trading, import/export and overseas trading of various products such as textiles, machinery, information and communications-related products, metals, products related to oil and other energy sources, general merchandise, chemicals, and provisions and food. Moreover, the ITOCHU Group is making multifaceted investments in insurance agencies, finance, construction, real estate trading, and warehousing as well as operations and businesses incidental or related to those fields.

[Operating Results by Segment]

Net profit attributable to ITOCHU

(Billions of Yen)

Segment	96th Fiscal Term (FY2020)	97th Fiscal Term (FY2021)
Textile	9.1	1.6
Machinery	56.7	22.8
Metals & Minerals	111.4	104.1
Energy & Chemicals	61.7	36.1
Food	49.9	25.0
General Products & Realty	55.0	21.3
ICT & Financial Business	62.5	58.1
The 8th	26.1	21.3
Others, Adjustments & Eliminations	69.0	111.1
Total	501.3	401.4

Financial Highlights by Segment

Segment	
Textile Company	Decreased due to the decline in sales in overall transactions, especially from sales in apparel-related companies resulting from COVID-19 and the impairment loss on Sankei Co., Ltd., partially offset by expense reduction and the absence of the extraordinary losses in the previous fiscal year.
Machinery Company	Decreased due to lower sales volume in overseas automobile-related companies, automobile-related transactions and aircraft-related transactions, as well as lower equity in earnings of associates and joint ventures resulting from COVID-19, and the impairment loss on foreign companies, partially offset by expense reduction and sales recovery of YANASE & CO., LTD..
Metals & Minerals Company	Decreased due to lower coal prices, the decline in dividends received from a Brazilian iron ore company, lower equity in earnings of Marubeni-Itochu Steel Inc., the impairment loss in the Australian coal-related business, and the absence of the extraordinary gains in the previous fiscal year, partially offset by higher iron ore prices.
Energy & Chemicals Company	Decreased due to the deterioration in profitability in oil-exploration-related companies resulting from lower oil prices, the decline in dividends received, the loss from long-term energy contract, and the absence of the extraordinary gains in C.I. TAKIRON Corporation in the previous fiscal year, partially offset by a stable performance in chemical-related companies, higher transaction volume in hygiene products and electricity transactions, and expense reduction.
Food Company	Decreased due to lower transaction volume in business for CVS and food service in NIPPON ACCESS, INC. and in provisions-related companies resulting from COVID-19, the impairment loss in a foreign company, and the absence of the extraordinary gains in the previous fiscal year, partially offset by a stable performance in meat-products-related companies and expense reduction.
General Products & Realty Company	Decreased due to lower sales volume resulting from COVID-19 and the impairment loss in European Tyre Enterprise Limited (European tire-related company), lower pulp prices, temporary expense from the construction of manufacturing lines in ITOCHU FIBRE LIMITED (European pulp-related company), and the absence of the extraordinary gains in the previous fiscal year, partially offset by a stable performance in North American construction materials business.
ICT & Financial Business Company	Decreased due to the impairment loss on Orient Corporation and the absence of the extraordinary gains in the previous fiscal year, partially offset by a stable performance in ICT sector and the gain on the partial sale of eGuarantee, Inc..
The 8th Company	Decreased due to lower daily sales resulting from COVID-19 and the impairment losses on fixed assets, partially offset by the improvement in tax expenses related to FamilyMart Co., Ltd., expense reduction, and the absence of the cost for the early retirement plan in the previous fiscal year in FamilyMart Co., Ltd..
Others, Adjustments & Eliminations	Increased due to higher equity in earnings of CITIC Limited as well as the higher equity in earnings of C.P. Pokphand Co. Ltd. resulting from higher pork prices and the gain on the group reorganization.

Notes: 1. ITOCHU Corporation prepared the consolidated financial statements in conformity with IFRS.

2. [Others, Adjustments & Eliminations] includes gains and losses which do not belong to any operating segment and internal eliminations between operating segments. The investments in CITIC Limited and C.P. Pokphand Co. Ltd. and the profits and losses from them are included in this segment.

[Consolidated Financial Position]

(Billions of Yen)

	96th Fiscal Term (FY2020)	97th Fiscal Term (FY2021)	Increase (Decrease)	%
Total assets	10,919.6	11,178.4	258.8	2.4%
Interest-bearing debt	2,877.0	3,155.3	278.3	9.7%
Net interest-bearing debt	2,256.9	2,601.4	344.5	15.3%
Total shareholders' equity	2,996.0	3,316.3	320.3	10.7%

Ratio of shareholders' equity to total assets	27.4%	29.7%	Increased 2.2 pt
NET DER (Net debt-to-shareholders' equity ratio) (times)	0.75	0.78	Increased 0.03 pt

Total assets increased by 2.4%, or 258.8 billion yen, compared to March 31, 2020 to 11,178.4 billion yen, due to the increase resulting from the effect accompanying the depreciation of the yen at the end of the fiscal year, and the increase in investments accounted for by the equity method, partially offset by the decrease in property, plant and equipment.

Net interest-bearing debt (Interest-bearing debt after deducting Cash and cash equivalents and Time deposits) increased by 15.3%, or 344.5 billion yen, compared to March 31, 2020 to 2,601.4 billion yen, due to the additional investment in shares in FamilyMart Co., Ltd. and dividend payments, partially offset by a stable performance in operating revenues. Interest-bearing debt increased by 9.7%, or 278.3 billion yen, compared to March 31, 2020 to 3,155.3 billion yen.

Total shareholders' equity increased by 10.7%, or 320.3 billion yen, compared to March 31, 2020 to 3,316.3 billion yen, due to net profit attributable to ITOCHU during this fiscal year and the effect accompanying the depreciation of the yen at the end of the fiscal year, partially offset by the decrease of capital surplus due to the additional investment in shares in FamilyMart Co., Ltd. and dividend payments.

Ratio of shareholders' equity to total assets increased by 2.2 points compared to March 31, 2020 to 29.7%. NET DER (Net debt-to-shareholders' equity ratio) slightly increased compared to March 31, 2020 to 0.78 times.

[Consolidated Cash Flows]

(Billions of Yen)

	96th Fiscal Term (FY2020)	97th Fiscal Term (FY2021)
Cash flows from operating activities	878.1	895.9
Cash flows from investing activities	(248.8)	(207.3)
Free cash flows	629.4	688.6
Cash flows from financing activities	(575.5)	(728.8)

Cash flows from operating activities recorded a net cash-inflow of 895.9 billion yen, due to a stable performance in operating revenues in The 8th, the Metals & Minerals, the ICT & Financial Business, and the Energy & Chemicals Companies.

Cash flows from investing activities recorded a net cash-outflow of 207.3 billion yen, due to the additional investment in shares in Tokyo Century Corporation by the Machinery Company and in FUJI OIL HOLDINGS INC. by the Food Company, the investments by The 8th Company, and the purchase of fixed assets by The 8th, the Food, the Energy & Chemicals, and the Metals & Minerals Companies.

Cash flows from financing activities recorded a net cash-outflow of 728.8 billion yen, due to the additional investment in shares in FamilyMart CO., Ltd., the repayment of lease liabilities and dividend payments, partially offset by the increase in debentures and loans payable.

Cash and cash equivalents as of March 31, 2021 decreased by 67.2 billion yen compared to March 31, 2020 to 544.0 billion yen.

[Qualitative Results for FY2021]

ITOCHU Group, based on the tumultuous changes in the business environment, has formulated a separate management plan for strengthening foundations during FY 2021, which does not belong to the Medium-Term Management Plan, and have worked to further promote high-efficiency management via the reinstilling of the "earn, cut, prevent" principles as the core of our business. We also maintained our "Medium- to Long-Term Shareholder Returns Policy" and strived to continuously improve corporate value from a medium- to long-term perspective.

Specific results for FY2021 were as follows.

■Textile Company

Building a Value Chain Centered on Environmentally-Conscious Materials

We have started expansion of the "Kuura" brand with the launch of a joint pilot plant for the production of cellulose fiber derived from conifer, which was established with the Metsä Group, a major Finnish forest industry group. Efforts are also expanding for "RENU" fiber-derived recycled polyester, such as its adoption in the "Convenience Wear" range from FamilyMart Co., Ltd.. We will continue to build a value chain from raw materials to end products, centered on environmentally-conscious materials.

Starting Expansion of "Slowear" in the Japanese Market

We have obtained exclusive distribution rights for the Japanese market to "Slowear," an Italian apparel brand group that possesses brands such as "Incotex," which is known for the highest quality trousers in the world. In addition to existing directly-managed stores, from the 2021 autumn/winter season, we will start deployment at locations throughout the nation, such as department stores and specialty stores. We will continue responding to diversifying consumer needs and will work toward further diversifying our brand business via a market-oriented perspective.

■Machinery Company

Strengthening Renewable Energy Business

In December 2020, NAES Corporation (NAES), a subsidiary of ITOCHU in the United States, acquired Bay4 Energy Services, LLC, a leading operation and maintenance provider for solar power plants in the United States. NAES, which operates approximately 200 power plants in North America and the rest of the world, is the world largest independent operation and maintenance service company. Combined with the solar power development endeavor of Tyr Energy Inc., another subsidiary in the United States, we aim to contribute to realizing decarbonized society by providing comprehensive services throughout the solar power generation value chain from development to operation and maintenance.

Expanding Downstream Business in the Field of Construction Machinery

ITOCHU Corporation promotes a "construction machinery lifecycle strategy" focused on North America, which strengthens our business that responds to user needs with everything from the conventional sales of construction machinery to the rental and sale of used machinery. We will work to expand our downstream business via the online rental business of BigRentz, Inc., in which we acquired an equity stake in 2019, the expansion of after-services such as the maintenance and renewal of used machinery, and remote maintenance utilizing IoT via United States subsidiary Multiquip Inc., which has a high market share of sales in power generators and small construction machinery.

YANASE Aims to Realize a Luxuriant Car Life

ITOCHU Corporation's subsidiary YANASE & CO., LTD. (YANASE) is Japan's largest imported vehicle sales company, with a complete sales and service network of nearly 240 locations. YANASE is focused on creating the highest quality after-market services and customer support system for its more than 200,000 customers to access services at any shop nationwide smoothly. Additionally, to respond to the needs of customers with diverse values, it is focused on providing new products and services such as imported electric vehicles (EV), rental cars, welfare vehicles, and luxury classic cars. YANASE is working to expand and strengthen the bonds of trust with its customers even further.

■Metals & Minerals Company

Utilizing Byproduct Hydrogen in the Hydrogen Engines of Ships

We have agreed to conduct a survey on the joint commercialization of a hydrogen business based on the local production for local consumption model in the Northern Kyushu region, together with Nippon Coke & Engineering Co., Ltd., one of our major customers, and Compagnie Maritime Belge B.V. (CMB), a major Belgian shipping company that we have been doing business with for many years regarding newly built ships. This project will aim to build a model for the local production and consumption of hydrogen by creating both supply and demand for hydrogen, based on the byproduct hydrogen from coke business and the hydrogen engines of CMB. We will also actively deploy this project to other regions in order to achieve the social implementation of hydrogen at the global scale, and thereby promote "Enhanced contribution and efforts for SDGs."

■Energy & Chemicals Company

Release of New Smart Star Next-Generation Energy Storage System Products

In May 2021, we launched the new "Smart Star 3" product as part of the Smart Star series, which is highly acclaimed for its AI optimized control function and being resilient in the event of power outages caused by a natural disaster. The new product builds the world's first system for extracting the environmental value created by solar power generation via residential energy storage systems. By providing this environmental value to companies aiming to achieve a decarbonized society, also returning points usable for shopping to households that purchase the new product, it enables customers to feel familiar with their environmental contribution. As we aim for the further popularization of distributed energy, we will continue to strive to create new value and establish a new economy through our storage battery business.

Promoting the Popularization of Environmentally-Conscious Plastic Products

We have collected and cleaned plastic waste that washes ashore, promoted its reuse as the raw material for plastic products, and created products such as garbage bags and shopping baskets in collaboration with TerraCycle, Inc., headquartered in the United States. We have also entered a strategic agreement for sales in Japan with a major manufacturer of biomass plastic raw materials derived from renewable resources. This will enable us to contribute to the development and popularization of environmentally-conscious plastic containers and packages via collaboration with FamilyMart Co., Ltd. and other brand owners worldwide.

■Food Company

Initiatives with FUJI OIL

FUJI OIL HOLDINGS INC. (FUJI OIL), one of ITOCHU Corporation's major associated companies, is the world's third-largest chocolate manufacturer, with Blommer Chocolate Company as a part of its group in North America. FUJI OIL is a leading company with cutting-edge technology in the fields of vegetable oil and soy protein. We contribute to FUJI OIL by promoting their sales of product, sourcing the raw materials, and developing the overseas business and the plant based food business. Particularly in recent years, FUJI OIL makes great efforts to promote soy meat with the interest due to an environmental and health-conscious food. Through "market-oriented perspective", we utilize the ITOCHU Group's retail and distribution network to the maximum to meet the expectations of our customers.

Conversion of French Company Provence Huiles to Fully-Owned Subsidiary

ITOCHU Corporation got the full ownership of Provence Huiles S.A.S. (PH), manufacturer of vegetable oil located in Europe, and will more flexibly and promptly strengthen our value chains of the functional vegetable oil that ITOCHU has improved actively since September 2015, the first investment in PH. PH handles high functional oil such as high oleic sunflower oil and the grapeseed oil, of which PH is the world's largest producer and supplier. We will contribute to achieving SDGs with the efforts focusing on sustainable products such as organic oils requiring the strict control of the traceability.

NIPPON ACCESS Promotion of Digital Transformation in the Food Supply Chain

NIPPON ACCESS, INC., ITOCHU Corporation subsidiary, has started providing digital marketing services and automation-order service based on the analysis of store sales data to retailers. By providing digital services that require lower development fees and initial costs, we will assist digital transformation and contribute to effective sales promotion and improved productivity in the retail industry. Furthermore, linking such data with companies such as food manufacturers will contribute to the evolution of the entire food industry, from optimization of raw material procurement/product inventory to more efficient distribution.

■General Products & Realty Company

Making Natural Rubber a Sustainable Natural Resource

The natural rubber industry faces challenges including the human rights violations of local communities and illegal logging. We have developed a system that uses blockchain technology to track the procurement process of raw materials and enables the differentiation of natural rubber that is harmonized both with society and the environment. Our subsidiary P.T. Aneka Bumi Pratama plans to utilize this system to sell traceable natural rubber as a high value-added product that complies with SDGs. Part of the profits will be returned to the producers in order to eliminate raw materials sourced with illegal logging and contribute to the popularization of sustainable natural rubber.

Production Increase Decided at Kemi Plant of METSA FIBRE OY

METSA FIBRE OY (MF) is the world's largest manufacturer of commercial conifer pulp manufacturer for papermaking, and possesses robust technical ability and abundant good-quality forestry resources within Finland. We have decided to invest approximately ¥200 billion in increased production lines at the Kemi plant of MF to further solidify the company's position as the largest in the world after completion in 2023. As demand for paper and pulp increases due to the increasing global population and the movement away from plastic, we will link with MF as the pulp trader dealing with the largest amount of pulp in the world, in order to ensure the stable supply of paper pulp, which is essential for society.

■ICT & Financial Business Company

Capital Tie-up with Data Analytics Company BrainPad

ITOCHU Corporation has partnered with leading Japanese data analytics company BrainPad Inc. to start building infrastructure and creating examples of utilizing data in order to promote digital transformation, and we have accumulated know-how for solving problems in various industries. This capital tie-up will enable us to further promote digital transformation at the ITOCHU Group and assist digital transformation at client companies in various industries by linking ITOCHU expertise in various industries with the data analysis and utilization know-how of BrainPad.

Evolving Customer Service at HOKEN NO MADOGUCHI

With its management philosophy of "an excellent and the most caring company for customers," HOKEN NO MADOGUCHI GROUP Inc. (HOKEN NO MADOGUCHI) is Japan's largest insurance shop chain (nationwide network of 795 stores as of March 31, 2021). It is a pioneer as an insurance shop company, providing unparalleled customer satisfaction through its strong customer-focused services underpinned by a unique employee education system. Even amid restrictions on shop activities during the COVID-19 pandemic, HOKEN NO MADOGUCHI used digitalization to expand its customer service further by immediately launching online consultations to respond to its customers' consultation needs. We will continue to deepen our collaboration with HOKEN NO MADOGUCHI, with its extensive points of contact with consumers, and accelerate business expansion through market-oriented perspective.

■The 8th Company

FamilyMart's Growth Strategy

FamilyMart Co., Ltd. (FM), for which ITOCHU Corporation executed a takeover bid (TOB) in July 2020, is one of our most important subsidiaries focused on lifestyle consumption, and going forward, we will thoroughly enhance the fundamentals of the convenience store business, "product strength, convenience, and friendliness." By streamlining distribution with group companies and creating new businesses including advertising and a financial business, we will provide new value to consumers, aiming to become an irreplaceable presence for all our stakeholders, including our business partners. In both name and substance, we will come together with FM to enhance its strategy rooted in market-oriented perspective.

Entering the Digital Advertising Market

ITOCHU Corporation has established Data One Corp., a digital advertising distribution company, in conjunction with FamilyMart Co., Ltd. (FM), NTT DOCOMO, Inc., and CyberAgent, Inc. Data One Corp. utilizes the purchasing data held by FM and the d POINT CLUB member attribute information held by NTT DOCOMO, Inc. to deliver ads based on an "ID" that reflects consumer needs. This eliminates user stress due to the appearance of unnecessary advertising, and will enable us to establish a new advertising distribution business that achieves highly precise marketing to advertisers.

(2) Management Policy for the Future

[Outlook for the Fiscal Year Ending March 31, 2022]

Regarding the business outlook for the fiscal year 2022, although the Chinese economy will continue to recover and the effect of additional large-scale economic measures in the U.S. will be expected, the recovery in the global economy is likely to remain sluggish for some time as the COVID-19 pandemic continues to impact primarily in Europe and some emerging countries, coupled with lingering uncertainty over the effectiveness and the availability of vaccines. The delay in Japanese economy's recovery is also concerned with the spread of COVID-19 infection showing no signs of stopping.

Amid such conditions, the U.S. dollar-yen exchange rate is expected to remain generally flat, while any increase in crude oil prices is likely to be limited due to an expected recovery in production volume by major oil-producing countries.

[Promote New Medium-Term Management Plan "Brand-new Deal 2023"]

ITOCHU Group established "Brand-new Deal 2023" as our next medium-term management plan aiming to improve corporate value by creating new business opportunities and solving social problems. We will strongly transform industries, cope with diversified market needs and enhance our contribution to the achievement of SDGs in such ways as maintaining foundations of everyday life and protecting the environment through our business activities.

Basic Policies

The basic policies of "Brand-new Deal 2023" are as follows:

<Aiming to achieve consolidated net profit of ¥600.0 billion as outlined in the medium-term management plan>

ITOCHU aims to achieve consolidated net profit of ¥600.0 billion as outlined in the "medium-term management plan.

<Realizing business transformation by shifting to a market-oriented perspective>

To meet the explicit and implicit needs of diversified suppliers and buyers, and expand business growth through value chain reform from downstream to upstream, we will take the following measures:

- Evolution of FamilyMart's business, the largest consumer base in the ITOCHU Group
- Transformation of the entire value chain, starting from downstream
- Expansion of profit opportunities through data utilization and DX

<Enhancing our contribution to and engagement with SDGs through business activities>

ITOCHU aims to lead the industry in realizing a decarbonized society and contribute to SDGs by taking the following measures:

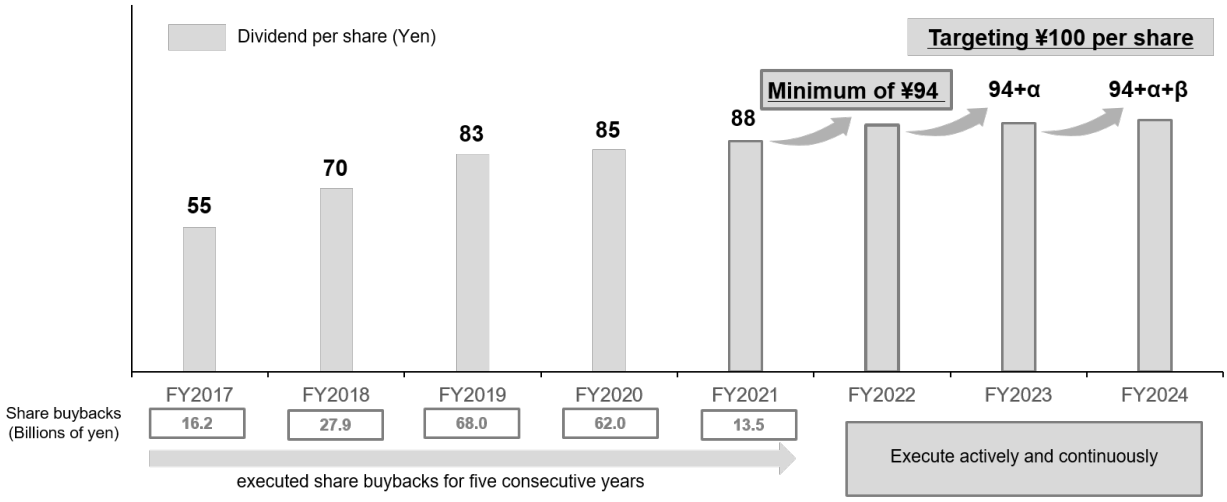
- Business expansion in accordance with a decarbonized society
- Leading development in the recycling business
- Sustained growth through strengthening the value chain

[Shareholder Returns Policy]

We aim to reach a dividend of ¥100 per share during the medium-term management plan "Brand-new Deal 2023".

As in the past, we will actively and continuously execute buybacks as appropriate in consideration of the cash allocation situation.

We have set a minimum dividend per share of ¥94 for FYE 2022 and will increase the dividend if we revise consolidated net profit upward during FYE 2022.



ITOCHU Group appreciates the continuing support of our shareholders.

(3) Changes in Assets and Operating Results

1) Changes in Assets and Operating Results of the ITOCHU Group

Category	94th Fiscal Term (FY2018)	95th Fiscal Term (FY2019)	96th Fiscal Term (FY2020)	97th Fiscal Term (FY2021) (Current term)
Revenues (Millions of Yen)	5,510,059	11,600,485	10,982,968	10,362,628
Gross trading profit (Millions of Yen)	1,210,440	1,563,772	1,797,788	1,780,747
Net profit attributable to ITOCHU (Millions of Yen)	400,333	500,523	501,322	401,433
Basic earnings per share attributable to ITOCHU (Yen)	257.94	324.07	335.58	269.83
Total assets (Millions of Yen)	8,663,937	10,098,703	10,919,598	11,178,432
Total shareholders' equity (Millions of Yen)	2,669,483	2,936,908	2,995,951	3,316,281

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

2) Changes in Assets and Operating Results of ITOCHU Corporation (Non-Consolidated)

Category	94th Fiscal Term (FY2018)	95th Fiscal Term (FY2019)	96th Fiscal Term (FY2020)	97th Fiscal Term (FY2021) (Current term)
Total trading transactions (Millions of Yen)	4,795,741	4,983,051	4,411,184	3,575,369
Ordinary income (Millions of Yen)	211,881	307,065	287,696	305,892
Net profit (loss) (Millions of Yen)	109,263	286,479	248,410	(71,341)
Earnings (loss) per share (Yen)	70.35	185.37	166.18	(47.92)
Total assets (Millions of Yen)	3,164,561	3,086,494	3,046,455	3,158,247
Equity (Millions of Yen)	974,102	1,081,068	1,123,143	928,762

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

(4) Status of Major Group Companies

1) Major Subsidiaries and Associated Companies

	Name	Common stock	Voting shares ratio	Main business
Domestic	Dole International Holdings, Inc.	33,976 million yen	100.00%	Investment in Dole Asian fresh produce business and worldwide packaged foods business
	ITOCHU Techno-Solutions Corporation	21,764 million yen	58.26%	Software development, system integration, IT management, and other IT solutions business
	ITOCHU ENEX CO., LTD.	19,878 million yen	54.00%	Wholesale of petroleum products and LPG and electricity and supply business
	FamilyMart Co., Ltd.	16,659 million yen	94.67%	Convenience store operations under franchise system
	C.I. TAKIRON Corporation	15,189 million yen	55.76%	Manufacture, processing and sale of plastic products
	POCKET CARD CO., LTD.	14,374 million yen	80.00%	Credit card business
	ITOCHU PROPERTY DEVELOPMENT, LTD.	10,225 million yen	100.00%	Development and sale of housing
	Prima Meat Packers, Ltd.	7,909 million yen	48.90%	Production and marketing of meat, ham, sausage, and processed foods
	YANASE & CO., LTD.	6,976 million yen	66.10%	Sales and repair of automobile and related parts
	ITOCHU-SHOKUHIN Co., Ltd.	4,923 million yen	52.32%	Wholesale and distribution of foods and liquor
	ITOCHU LOGISTICS CORP.	4,402 million yen	100.00%	Comprehensive logistics services
	CONEXIO Corporation	2,778 million yen	60.35%	Sale of mobile phone units, mobile phones-related solution business
	NIPPON ACCESS, INC.	2,620 million yen	100.00%	Wholesale and distribution of foods
Overseas	ITOCHU International Inc.	625,640 thousand US$	100.00%	Wholesale and investment
	ITOCHU Europe PLC	70,449 thousand GBP	100.00%	Wholesale and investment
	ITOCHU Hong Kong Ltd.	1,248,621 thousand HK$	100.00%	Wholesale and investment
	ITOCHU (CHINA) HOLDING CO., LTD.	300,000 thousand US$	100.00%	Wholesale and investment
	ITOCHU Minerals & Energy of Australia Pty Ltd	276,965 thousand AU$	100.00%	Investment and sales in resource development projects including those of iron ore, coal, and non-ferrous metals
	European Tyre Enterprise Limited	451,230 thousand GBP	100.00%	Wholesale and retail of tire in Europe
	ITOCHU FIBRE LIMITED	168,822 thousand EUR	100.00%	Distribution and trading of pulp, wood chip and paper materials and investment in METSA FIBRE OY
	Orchid Alliance Holdings Limited	1,500,055 thousand US$	100.00%	Investment and shareholder loan to a company investing in CITIC Limited

	Name	Common stock	Voting shares ratio	Main business
Associated companies	Orient Corporation	150,067 million yen	16.53%	Consumer credit
	Tokyo Century Corporation	81,129 million yen	30.10%	Leasing business, installment sales business and operating lease business
	Marubeni-Itochu Steel Inc.	30,000 million yen	50.00%	Import/export and wholesale of steel products
	C.P. Pokphand Co. Ltd.	253,329 thousand US$	25.00%	Compound animal feed business, livestock and aquatic product related businesses, and manufacture and sale business of food products
	FUJI OIL HOLDINGS INC.	13,209 million yen	39.94%	Management of group strategy and business operations
	DESCENTE LTD.	3,846 million yen	40.00%	Manufacture and sales of sportswear, etc.

(Amount less than 1 million or 1 thousand have been rounded to the nearest unit.)

Notes:
1. The column of voting shares ratio shows the total of shareholding by ITOCHU Corporation and indirect shareholding by its subsidiaries.
2. While the voting shares ratio of Prima Meat Packers, Ltd. is not more than 50%, taking into account the distribution of voting rights, the patterns in which voting rights have been exercised and other factors, Prima Meat Packers, Ltd. is considered a subsidiary of ITOCHU Corporation.
3. While the voting shares ratio of Orient Corporation is less than 20%, ITOCHU Corporation participates in the determination of sales and financial directions by dispatching its Directors, including its Representative Directors, to the Board of Directors of Orient Corporation. Accordingly, ITOCHU Corporation exerts an important influence and Orient Corporation is considered an associated company of ITOCHU Corporation.

2) Consolidated Subsidiaries and Equity-Method Associated Companies

Category	94th Fiscal Term (FY2018)	95th Fiscal Term (FY2019)	96th Fiscal Term (FY2020)	97th Fiscal Term (FY2021) (Current term)
Consolidated subsidiaries	206 companies	203 companies	203 companies	199 companies
Equity-method associated companies	94 companies	88 companies	86 companies	80 companies
Total of group companies	300 companies	291 companies	289 companies	279 companies

Note: Investment companies which are directly invested in by ITOCHU Corporation and its Overseas trading subsidiaries are included in the above-mentioned number of companies. Investment companies which are considered as part of the parent company are not included.

(5) Main Offices

1) Domestic

Head Office of ITOCHU Corporation	Osaka Head Office: 1-3, Umeda 3-chome, Kita-ku, Osaka Tokyo Head Office: 5-1, Kita-Aoyama 2-chome, Minato-ku, Tokyo
Areas of ITOCHU Corporation	Chubu Area (Nagoya), Kyushu Area (Fukuoka), Chugoku & Shikoku Area (Hiroshima), Hokkaido Area (Sapporo), Tohoku Area (Sendai)
Branches of ITOCHU Corporation	Hokuriku Branch (Kanazawa), Toyama Branch

Note: Both Hokuriku and Toyama Branches were closed on March 31, 2021.

2) Overseas

Branches of ITOCHU Corporation	Johannesburg, Manila, Kuala Lumpur
Offices of ITOCHU Corporation	34 offices including Lima, Istanbul, Moscow, Nairobi, Riyadh, and Jakarta
Overseas trading subsidiaries	56 overseas trading subsidiaries including headquarters/branches such as ITOCHU International Inc. (U.S.A.) ITOCHU Brasil S.A., ITOCHU Europe PLC (U.K.) ITOCHU MIDDLE EAST FZE (U.A.E.) ITOCHU (CHINA) HOLDING CO., LTD. ITOCHU Hong Kong Ltd., ITOCHU Singapore Pte, Ltd. ITOCHU (Thailand) LTD., ITOCHU Australia Ltd.

(6) Status of Employees

1) Status of Employees of the ITOCHU Group (Number of employees)

Textile	Machinery	Metals & Minerals	Energy & Chemicals	Food	General Products & Realty	ICT & Financial Business	The 8th	Other	Total
7,143 [2,319]	13,560 [1,548]	523 [73]	12,481 [3,842]	38,342 [19,740]	17,108 [2,911]	20,819 [8,644]	13,198 [6,688]	2,770 [120]	125,944 [45,885]

Note: The number of employees refers to actual working employees and the average annual number of temporary employees shown in the square bracket [ ] is not included in total.

2) Status of Employees of ITOCHU Corporation (Non-Consolidated)

Number of employees	Changes from the previous term-end	Average age	Average service years
4,215 employees	-46 employees	42.0 years old	17 years and 11 months

Note: The above number of employees includes 834 employees and 316 employees seconded to other companies in Japan and overseas respectively and 302 employees at overseas trading subsidiaries.

(7) Status of Capital Investment

No important matter to be stated.

(8) Status of Financing

ITOCHU Group raises funds through financing carried out by ITOCHU Corporation, domestic and overseas treasury centers, overseas trading subsidiaries, and other entities and undertook borrowing from financial institutions, issuance of short-term corporate bonds (electronic CP), and other actions. In addition, it has raised US$500 million through the issuance of unsecured U.S. dollar bonds (SDGs Bond) as follows:

Issue	Total issue amount	Issue date	Issuer
1.564% U.S. dollar bonds due in 2026 (SDGs Bond)	500 million US$	March 30, 2021	ITOCHU Corporation

(9) Main Lenders

ITOCHU Corporation, domestic and overseas treasury centers, overseas trading subsidiaries, and other entities undertake borrowings of the ITOCHU Group and ITOCHU Corporation's main lenders at the end of the current term are as follows.

Lenders	Outstanding amount of borrowings
	(Millions of Yen)
Mizuho Bank, Ltd.	235,113
Sumitomo Mitsui Banking Corporation	174,428
MUFG Bank, Ltd.	93,409
Sumitomo Mitsui Trust Bank, Limited	67,947
Nippon Life Insurance Company	54,500
Meiji Yasuda Life Insurance Company	27,500
The Hachijuni Bank, Ltd.	25,225
THE SHIGA BANK, LTD.	21,611
Development Bank of Japan Inc.	21,000
Shinkin Central Bank	20,000

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

(10) Other Significant Matters Regarding the Current Conditions of the ITOCHU Group

No important matter to be stated.

2. Shares of ITOCHU Corporation

(1) Total Number of Authorized Shares ····· 3,000,000,000 shares

(2) Total Number of Issued Shares ····· 1,584,889,504 shares

(3) Number of Shareholders ····· 193,948 persons

(4) Major Shareholders (top 10)

Shareholders	Numbers of shares held	Shareholding ratio
	Thousands of shares	%
The Master Trust Bank of Japan, Ltd. (trust account)	140,390	9.44
BNYM AS AGT/CLTS NON TREATY JASDEC	85,057	5.72
Custody Bank of Japan, Ltd.(trust account)	81,626	5.49
CP WORLDWIDE INVESTMENT COMPANY LIMITED	63,500	4.27
Nippon Life Insurance Company	34,056	2.29
Custody Bank of Japan, Ltd. (trust account 7)	31,431	2.11
Mizuho Bank, Ltd.	31,200	2.10
Asahi Mutual Life Insurance Company	23,400	1.57
Custody Bank of Japan, Ltd. (trust account 5)	21,128	1.42
STATE STREET BANK WEST CLIENT - TREATY 505234	20,773	1.40

(A fraction of shares less than one thousand is truncated)

Notes: 1. ITOCHU Corporation owns 97,462 thousand shares of treasury stock but has been omitted from the major shareholders listed above.

2. The treasury stock is excluded from the calculation of shareholding ratio.

(5) Other Significant Matters Regarding Shares

In order to pursue a flexible capital management policy, ITOCHU Corporation has carried out share buybacks as follows, in accordance with the provisions of Article 156 of the Companies Act applied mutatis mutandis pursuant to Article 165, Paragraph 3 of the same Act.

Date of resolution of the Board of Directors	June 12, 2019	June 12, 2020
Period	From June 12, 2019 to June 11, 2020	From June 12, 2020 to June 11, 2021
Number of share buybacks	0 thousand shares	5,213 thousand shares (Note)

(A fraction of shares less than one thousand is truncated)

Note: The above number of shares acquired is as of March 31, 2021.

3. Corporate Officers

(1) Status of Directors and Audit & Supervisory Board Members (as of March 31, 2021)

Position in ITOCHU Corporation	Name	Responsibility	Important Concurrent Occupations or Positions
Chairman & Chief Executive Officer	＊Masahiro Okafuji	Chief Executive Officer	Outside Director, NISSIN FOODS HOLDINGS CO., LTD.
President & Chief Operating Officer	＊Yoshihisa Suzuki	Chief Operating Officer; Chief Digital & Information Officer	
Member of the Board	＊Tomofumi Yoshida	President, General Products & Realty Company	
Member of the Board	＊Yuji Fukuda	CEO for East Asia Bloc; CEO for Asia & Oceania Bloc; Executive Advisory Officer for CP & CITIC Operations	
Member of the Board	＊Fumihiko Kobayashi	Chief Administrative Officer	
Member of the Board	＊Tsuyoshi Hachimura	Chief Financial Officer	
Member of the Board	Atsuko Muraki		Outside Director, Sumitomo Chemical Company, Limited, Outside Director, Sompo Holdings, Inc.
Member of the Board	Harufumi Mochizuki		Outside Director, Hitachi, Ltd. President & CEO, Tokyo Small and Medium Business Investment & Consultation CO., LTD.
Member of the Board	Masatoshi Kawana		Outside Director, MedPeer, Inc.
Member of the Board	Makiko Nakamori		Representative Partner, NAKAMORI CPA OFFICES Outside Audit & Supervisory Board Member, M&A Capital Partners Co., Ltd. Outside Audit & Supervisory Board Member, LIFULL Co., Ltd. Auditor (external), TeamSpirit Inc.

Position in ITOCHU Corporation	Name	Responsibility	Important Concurrent Occupations or Positions
Full-time Audit & Supervisory Board Member	Shuzaburo Tsuchihashi		
Full-time Audit & Supervisory Board Member	Makoto Kyoda		
Audit & Supervisory Board Member	Shingo Majima		Outside Director, WIN-Partners Co., Ltd.
Audit & Supervisory Board Member	Kentaro Uryu		Managing Partner, URYU & ITOGA Attorney-At-Law, CEO, U&I Advisory Service Co., Ltd.
Audit & Supervisory Board Member	Kotaro Ohno		Outside Director, AEON CO., LTD. Outside Audit & Supervisory Board Member, Komatsu Ltd.

Notes:
1. "＊" indicates a representative director.
2. There is no special relation between ITOCHU Corporation and the above organizations where important concurrent occupations or positions are held.
3. Members of the Board, Ms. Atsuko Muraki, Mr. Harufumi Mochizuki, Mr. Masatoshi Kawana and Ms. Makiko Nakamori are Outside Directors. They are registered as independent directors at the Tokyo Stock Exchange, Inc.
4. Audit & Supervisory Board Member, Mr. Shingo Majima, Mr. Kentaro Uryu and Mr. Kotaro Ohno are Outside Audit & Supervisory Board Members. They are registered as independent auditors at the Tokyo Stock Exchange, Inc.
5. Audit & Supervisory Board Member Mr. Makoto Kyoda has primarily engaged in finance, accounting, and risk management-related operations in ITOCHU Corporation over many years, and through his experience as CFO of the Food Company possesses considerable knowledge of finance and accounting.
6. Audit & Supervisory Board Member, Mr. Shingo Majima is a certified public accountant in Japan and the United States (New York State). Also he has a long-standing career as a university professor of accounting and auditing and considerable expertise in finance and accounting.
7. Mr. Kiyoshi Yamaguchi resigned as Audit & Supervisory Board Member as of June 19, 2020.
8. Audit & Supervisory Board Member, Mr. Makoto Kyoda resigned as Outside Corporate Auditor of Prima Meat Packers, Ltd. as of June 26, 2020.
9. Audit & Supervisory Board Member, Mr. Kentaro Uryu resigned as Outside Director of the Board of Kyowa Kirin Co., Ltd. as of March 24, 2021.
10. Mr. Harufumi Mochizuki and Mr. Kotaro Ohno who will retire as a Director and an Audit & Supervisory Board Member, respectively, at the conclusion of this Ordinary General Meeting of Shareholders, will continue to provide advice on management of ITOCHU Corporation as members of the Advisory Board with utilizing their wide range of experience and knowledge.

[Reference] Policy and Process for Appointing Executive Officers

Policy and Process for Appointing Executive Officers

Executive officers are appointed annually by the Board of Directors among, in principle, employees regarded as candidates for executives based on our HR system with high integrity and exceptional ability (or those who have already been appointed as executive officers) who are judged to be capable of assuming the role as the executive officers. Candidates for executive officers are first selected by the Chairman & Chief Executive Officer based on, among others, recommendations from other officers (or in terms of incumbent executive officers, based on their respective performance) and submitted to the Nomination Committee for further deliberation. Based on the deliberation and advice of the Nomination Committee, the Board of Directors appoints executive officers by its resolution. In case that an executive officer breaches the Executive Officers' Regulation of ITOCHU Corporation or otherwise his or her performance is judged to be not appropriate, the Chairman & Chief Executive Officer (or the chair of the Nomination Committee) firstly makes a proposal of dismissal, and the Board of Directors dismisses such executive officer by its resolution based on the deliberation and advice of the Nomination Committee.

(2) Status of Executive Officers (as of April 1, 2021)

Name	Position in ITOCHU Corporation	Responsibility
Masahiro Okafuji	Chairman & Chief Executive Officer	Chief Executive Officer
Keita Ishii	President & Chief Operating Officer	Chief Operating Officer
Tomofumi Yoshida	Executive Vice President	President, General Products & Realty Company
Yuji Fukuda	Executive Vice President	CEO for East Asia Bloc; CEO for Asia & Oceania Bloc; Executive Advisory Officer for CP & CITIC Operations
Fumihiko Kobayashi	Executive Vice President	Chief Administrative Officer
Tsuyoshi Hachimura	Executive Vice President	Chief Financial Officer
Hiroyuki Tsubai	Managing Executive Officer	President, Machinery Company
Masahiro Morofuji	Managing Executive Officer	President, Textile Company; Executive Advisory Officer for Osaka Headquarters
Mitsuru Chino	Managing Executive Officer	President & CEO, ITOCHU International Inc.
Hiroyuki Kaizuka	Managing Executive Officer	President, Food Company
Tomoyuki Takada	Managing Executive Officer	General Manager, Corporate Communications Division
Tatsushi Shingu	Managing Executive Officer	President, ICT & Financial Business Company
Toshikazu Otani	Managing Executive Officer	Chief Executive for Africa
Hisato Okubo	Executive Officer	Executive Vice President, Energy & Chemicals Company; Chief Operating Officer, Energy Division
Hidefumi Mizutani	Executive Officer	Vice President, ITOCHU East Asia Bloc (East China); Managing Director, ITOCHU SHANGHAI LTD.
Shinjiro Tanaka	Executive Officer	CEO, European Tyre Enterprise Limited
Takanori Morita	Executive Officer	Chief Executive for Europe & CIS Bloc; CEO, ITOCHU Europe PLC
Masaya Tanaka	Executive Officer	President, Energy & Chemicals Company; Chief Operating Officer, Power & Environmental Solution Division
Kenji Seto	Executive Officer	President, Metals & Minerals Company
Yoshiko Matoba	Executive Officer	General Manager, Human Resources & General Affairs Division
Hiroyuki Naka	Executive Officer	Chief Digital & Information Officer; General Manager, Corporate Planning & Administration Division

Name	Position in ITOCHU Corporation	Responsibility
Shuichi Kato	Executive Officer	President, The 8th Company
Masatoshi Maki	Executive Officer	Chief Operating Officer, Construction & Real Estate Division
Tatsuo Odani	Executive Officer	President, Leilian Co., LTD.
Masazumi Nishikage	Executive Officer	Director, SEVP & COO, Dole Asia Holdings Pte. Ltd.
Tadayoshi Yamaguchi	Executive Officer	SVP & CAO, ITOCHU International Inc.; General Manager, Corporate Planning Division, ITOCHU International Inc.; General Manager, Corporate Development Division, ITOCHU International Inc.; President & CEO, ITOCHU Canada Ltd.
Satoshi Watanabe	Executive Officer	General Manager, Finance Division
Hideto Takeuchi	Executive Officer	Chief Operating Officer, Brand Marketing Division 2
Kenichi Tai	Executive Officer	Chief Operating Officer, Fresh Food Division
Hiroshi Kajiwara	Executive Officer	Chief Operating Officer, ICT Division
Akira Saito	Executive Officer	General Manager, Legal Division

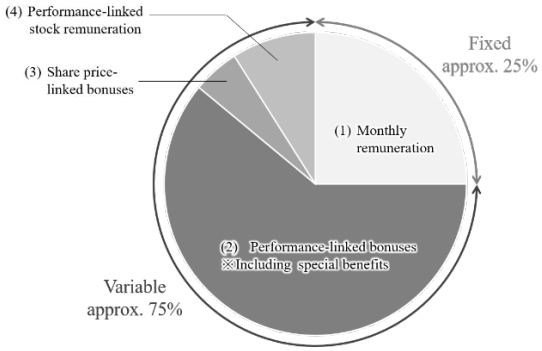
Note: Ms. Mitsuru Chino's registered name is Mitsuru Ike.

(3) Remunerations etc. to Directors and Audit & Supervisory Board Members

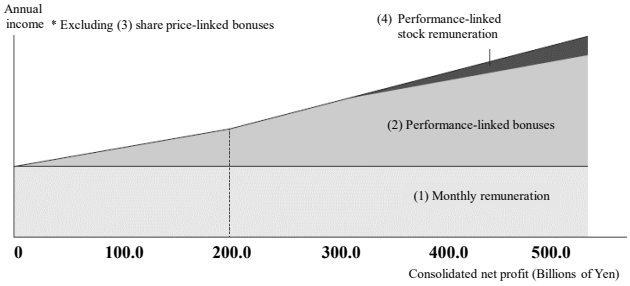
1) Overview (Outline) of the Remuneration Plan for Directors and the Policy for Determination

ITOCHU Corporation's remuneration plan for Directors is designed to be an incentive to grow business performance. As indicated in the Remuneration composition ratios image of Directors (excluding Outside Directors) below, variable remuneration is approximately 75% of overall remuneration (FY2021), which is extremely high, even when compared to other companies. The system clarifies management's responsibility, with Director remuneration increasing as performance improves, and significantly decreasing if performance deteriorates. Furthermore, this remuneration plan, including the calculation method, has been previously disclosed publicly, making it highly transparent. More specifically, the remuneration plan consists of (1) monthly remuneration, (2) performance-linked bonuses, (3) share price-linked bonuses, and (4) performance-linked stock remuneration, with performance-linked bonuses reflecting short-term performance and share price-linked bonuses and performance-linked stock remuneration reflecting the increase of corporate value in the medium to long term.

Remuneration composition ratios image of Directors (excluding Outside Directors) (FY2021)



Remuneration image of Directors (excluding Outside Directors)



* In the event of net loss attributable to ITOCHU (consolidated) (referred to as "net profit (consolidated)" in this section), Directors will receive neither performance-linked bonuses nor performance-linked stock remuneration.

- In accordance with the decision policy for remuneration to Directors mentioned above, the remuneration plan for each fiscal year, which includes the formula and calculation method for the individual payment amount for each director, is determined by the Board of Directors upon deliberation by the Governance and Remuneration Committee, which is a voluntary advisory committee to the Board of Directors that is chaired by an Outside Director and composed of a majority of outside officers, within the range of remuneration limits decided at the General Meeting of Shareholders.
- Of these, monthly remuneration, which is approximately 25% of the total amount of remuneration as stated in "Remuneration composition ratios image of Directors (excluding Outside Directors)," is evaluated and determined according to factors that include the degree of contribution to ITOCHU Corporation based on a standard amount for each position. The degree of contribution to ITOCHU Corporation in FY2021 includes newly addressing the response to climate change, ESG and SDGs. (The final evaluation of the method and process is made by Chairman & Chief Executive Officer Masahiro Okafuji, who is best suited to assess and most familiar with the individual degree of contribution of each Director, in accordance with the method discussed by the Governance and Remuneration Committee.)
- Furthermore, performance-linked bonuses and performance-linked stock remuneration are calculated based on the calculation formula determined by the Board of Directors using net profit attributable to ITOCHU (consolidated) as the linked indicator. Share price-linked bonuses are calculated based on the calculation formula determined by the Board of Directors using ITOCHU Corporation's share price as the linked indicator.
- The Board of Directors has deemed that this is appropriate based on the fact that it adheres to the decision policy for the details of remuneration as individual remuneration for Directors was decided using the calculation process and procedures in line with deliberations by the Governance and Remuneration Committee and the resolution of the Board of Directors.

2) Details of Resolution

The remuneration limits for Directors of ITOCHU Corporation have been decided as indicated below.

<table>
<tr><th></th><th>Type of remuneration</th><th>Details</th><th>Fixed / Variable</th><th>Remuneration limits</th><th>Resolution at General Meeting of Shareholders</th><th>Number of officers regarding the resolution</th></tr>
<tr><td rowspan="4">Directors</td><td>(1) Monthly remuneration</td><td>Determined according to factors that include degree of contribution to ITOCHU Corporation, including addressing climate change, ESG and SDGs, based on a standard amount for each position</td><td>Fixed</td><td>¥0.8 billion per year as total amount of monthly remuneration
(of that amount, ¥0.1 billion per year for Outside Directors)</td><td rowspan="3">June 21, 2019</td><td>10
(of which, 4 are Outside Directors)</td></tr>
<tr><td>(2) Performance-linked bonuses</td><td>Total amount of payment is determined based on net profit (consolidated), and the each individual payment amount is determined in relation to the position points, etc. for the Director</td><td>Variable
(single year)</td><td rowspan="2">¥2.0 billion per year as the total amount of bonus
* Not paid to Outside Directors</td><td rowspan="2">6
(excluding Outside Directors)</td></tr>
<tr><td>(3) Share price-linked bonuses</td><td>Calculated by adding the evaluation of the relative growth rate of ITOCHU Corporation's share price and Tokyo Stock Price Index (TOPIX) to the amount of increase of ITOCHU Corporation's share price for two consecutive fiscal years</td><td rowspan="2">Variable
(medium- to long-term)</td></tr>
<tr><td>(4) Performance-linked stock remuneration</td><td>Total payment amount is determined based on net profit (consolidated), and each individual payment amount is determined in relation to the position points for the Director used in calculating the individual performance-linked bonus</td><td>The amounts below are limits for two fiscal years, for Directors and Executive Officers
• Limit on contribution to trust by ITOCHU Corporation: ¥1.5 billion
• Total number of points granted to eligible person: 1.3 million points (conversion at 1 point = 1 share)
* Not paid to Outside Directors</td><td>June 24, 2016</td><td>11
(excluding Outside Directors)</td></tr>
</table>

- The remuneration limit for ITOCHU Corporation's Audit & Supervisory Board Members was set at up to ¥13 million monthly at the 81st Ordinary General Meeting of Shareholders held on June 29, 2005. There were five (5) Audit & Supervisory Board Members as of the end of the 81st Ordinary General Meeting of Shareholders.

3) Percentage of Performance-Linked Remuneration in Total Director Remuneration

ITOCHU Corporation's remuneration plan for Directors does not have a fixed percentage of Performance-linked remuneration (performance-linked bonuses, share price-linked bonuses, performance-linked stock remuneration) and is designed so the percentage of performance-linked remuneration in total director remuneration increases as ITOCHU Corporation's performance improves and its share price increases. We believe that this design/system is in line with the decision policy of our remuneration plan for Directors, which is designed to be an incentive to grow business performance.

4) Remunerations etc. to Directors and Audit & Supervisory Board Members

(Millions of Yen)

Category		Number of persons (Persons)	Total amount of remuneration	Breakdown				
				Monthly remuneration	Performance-Linked Remuneration			
					Performance-linked bonuses	Share price-linked bonuses	Special benefits	Stock remuneration (Non-Monetary Remune-ration)
Director	Director (Internal)	6	2,274	575	1,009	268	355	67
	Outside Director	4	76	76	–	–	–	–
	Total	10	2,350	651	1,009	268	355	67
Audit & Supervisory Board Member	Audit & Supervisory Board Member (Internal)	3	92	92	–	–	–	–
	Outside Audit & Supervisory Board Member	3	57	57	–	–	–	–
	Total	6	148	148	–	–	–	–

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

- FY2021 Director remuneration is composed of monthly remuneration, performance-linked bonuses as performance-linked remuneration, share price-linked bonuses, special benefits, and stock remuneration (non-monetary remuneration). These remunerations and bonuses were approved unanimously by the Board of Directors following deliberation by the Governance and Remuneration Committee.
- Monthly remuneration is decided based on the standard amount by position and the level of contribution to ITOCHU Corporation, including its response to climate change, ESG and SDGs.
- Following deliberation by the Governance and Remuneration Committee, at a meeting of the Board of Directors held on April 14, 2021 ITOCHU Corporation resolved to pay special benefits. These special benefits for FY2021 were paid within the limit of Director bonuses based on the minimization of earnings reductions caused by the COVID-19 pandemic, the achievement of the income goals in the “FY2021 Management Plan” and significant improvement of corporate value, and the Company claiming the top position in the general trading company industry for this first time in terms of annual average stock price and average market capitalization. Furthermore, the ¥401.4 billion in net profit in FY2021 (consolidated) was also the highest in the general trading company industry together with the above annual average stock price and average market capitalization.

5) Performance-Linked Remuneration and Non-Monetary Remuneration

- We have net profit (consolidated) as the linked indicator for the performance-linked bonus and performance-linked stock remuneration, which is a non-monetary remuneration. Net profit (consolidated) is of high interest on the stock market because it is an easy-to-understand indicator of capital for growth-oriented investment and returns to shareholders, and we believe that its importance as an indicator going forward is unshakeable. In addition, employee bonuses are also linked to net income (Consolidated). The change of net profit (consolidated), including this fiscal year, is indicated in "1. (3) Changes in Assets and Operating Results."
- When calculating the performance-linked bonuses paid to each Director, the total amount of payment is determined based on net profit (consolidated), and each individual payment amount is determined in relation to the position points, etc. for the Director. The performance-linked bonuses are paid following the end of every Ordinary General Meeting of Shareholders.
- To align with our shareholders and create greater awareness of increasing corporate value, we are introducing share-price linked bonuses with ITOCHU Corporation's share price as the linked indicator. This bonus is an index linked to the increase in the average daily value of ITOCHU Corporation's stock price for each consecutive two fiscal years. To ensure fairness, the calculation scheme includes the relative evaluation between the growth rate of the average value of the ITOCHU Corporation's stock price and the growth rate of the average value of the Tokyo Stock Price Index (TOPIX) for each fiscal year. The total amount of bonuses during the term of Directors is paid to them after their retirement. Furthermore, ITOCHU Corporation's average share price in FY2021 increased by approximately ¥660 compared to the average shares price in FY2019.
- We have performance-linked stock remuneration, a type of non-monetary remuneration, for Directors via a Board Incentive Plan Trust ("BIP Trust") as approved at the 92nd Ordinary General Meeting of Shareholders held on June 24, 2016. ITOCHU Corporation grants points (equal to one share), according to net profit (consolidated), to each Director each year during their terms of office (excluding periods when not residing in Japan), and after the retirement of a Director, stock remuneration equivalent to the accumulated number of points and an amount of money equivalent to the portion of ITOCHU Corporation's shares converted into cash together with the shares' dividends are delivered and provided to the Director from the BIP Trust. For Directors who do not reside in Japan, remuneration is calculated each year as an amount equivalent to stock remuneration, and is paid following the end of every Ordinary General Meeting of Shareholders, as a performance-linked bonus separate from the performance-linked bonuses above.

(4) Outside Directors and Outside Audit & Supervisory Board Members

1) Primary Activities of Outside Director

Name	Primary activities
Atsuko Muraki	She attended all of the 12 meetings of the Board of Directors held during the current term. She mainly made statements from an objective and neutral position as an outside director based on her high-level knowledge of working environment improvement, human resource development, social security, and other topics accumulated through many years of experience at the Ministry of Health, Labour and Welfare (and the former Ministry of Labour). In addition, during the current term, she chaired the Nomination Committee and offered a practical perspective while leading discussions on the appointment and dismissal of key management members and succession plans, and performed the important role expected of an outside director by ITOCHU Corporation. Furthermore, she provided many beneficial suggestions in the areas of internal control, compliance, human resource utilization, and organizational revitalization.
Harufumi Mochizuki	He attended all of the 12 meetings of the Board of Directors held during the current term. He mainly made statements from an objective and neutral position as an outside director based on his wealth of experience and high-level knowledge as a government official at the Ministry of Economy, Trade and Industry (and the former Ministry of International Trade and Industry), as well as his experience as a corporate executive at other entities where he concurrently serves. In addition, during the current term, he served as a member of the Governance and Remuneration Committee and the Nomination Committee, contributed to the further improvement of the governance system of ITOCHU Corporation and an objective perspective in succession plans and nomination of officers, and performed the important role expected of an outside director by ITOCHU Corporation. Furthermore, he provided many beneficial and broad-minded suggestions on internal control, compliance, and reinvented business.
Masatoshi Kawana	He attended all of the 12 meetings of the Board of Directors held during the current term. He mainly made statements from an objective and neutral position as an outside director based on his experience in hospital management and high-level knowledge of medical care as the President of Aoyama Hospital, Tokyo Women's Medical University as well as the Vice-president of Tokyo Women's Medical University Hospital. In addition, during the current term, he was a member of the Governance and Remuneration Committee and contributed to the further enhancement of governance at ITOCHU Corporation. Additionally, he used his expertise to provide many beneficial suggestions in the areas of health management and medical care-related business.
Makiko Nakamori	She attended all of the 12 meetings of the Board of Directors held since her appointment. She mainly made statements from an objective and neutral position as an outside director based on her experience as a company manager in multiple executive positions, in addition to her expertise on finance and accounting and her extensive experience as a certified public accountant. In addition, during the current term, she was a member of the Governance and Remuneration Committee and contributed to the further enhancement of governance at ITOCHU Corporation. She drew on her experience and expertise to provide many beneficial suggestions in the areas of internal control, compliance, and reinvented business.

2) Primary Activities of Outside Audit & Supervisory Board Member

Name	Primary activities
Shingo Majima	He attended all of the 12 meetings of the Board of Directors and all of the 14 meetings of the Audit & Supervisory Board held during the current term. He mainly made statements from an objective and neutral position as an outside Audit & Supervisory Board Member based on his wealth of experience and expertise on finance and accounting as a certified public accountant and over many years as a university professor. During the current term, he was a member of the Nomination Committee and made contributions toward improving the objectivity of ITOCHU Corporation's officer nomination process.
Kentaro Uryu	He attended all of the 12 meetings of the Board of Directors and all of the 14 meetings of the Audit & Supervisory Board held during the current term. He made statements from an objective and neutral position as an outside Audit & Supervisory Board Member, based on his wealth of experience and expertise as an attorney in wide-ranging fields of corporate legal matters. During the current term, he was a member of the Nomination Committee and made contributions toward improving the objectivity of ITOCHU Corporation's officer nomination process.
Kotaro Ohno	He attended all of the 12 meetings of the Board of Directors and all of the 14 meetings of the Audit & Supervisory Board held during the current term. He mainly made statements from an objective and neutral position as an outside Audit & Supervisory Board Member based on his expertise in legal systems and operations and his high-level knowledge developed through many years of experience in the Ministry of Justice and public prosecutor's office. During the current term, he was a member of the Governance and Remuneration Committee and contributed to the further enhancement of governance at ITOCHU Corporation.

3) Outline of Limitation of Liability Contracts

ITOCHU Corporation entered into a limitation of liability contract as stipulated in Article 423, Paragraph 1 of the Companies Act, with Outside Directors and Outside Audit & Supervisory Board Members pursuant to Article 427, Paragraph 1 of the same Act and the Articles of Incorporation. Under this contract, liabilities for compensation are the lowest amount of liability stipulated by Article 425, Paragraph 1 of the Companies Act if they have acted in good faith and without gross negligence in performing their duties.

(5) Outline of Directors and Officers Liability Insurance Policy

ITOCHU Corporation has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The policy covers the losses, such as damages payable and litigation costs in damage suits, incurred by all of ITOCHU Corporation's directors and Audit & Supervisory Board Members, etc. who are the insureds. However, the scope of compensation does not cover the damages and litigation costs of a director or officer involved in an intentional illegal act or criminal act such as bribery, to ensure that the appropriateness of the performance of director or officer duties is not lost. The full amount of the insurance premiums is borne by ITOCHU Corporation.

4. Status of Independent Auditor

(1) Name of Independent Auditor

Deloitte Touche Tohmatsu LLC

(2) Remuneration of the Independent Auditor during the Current Term

1) Amount of remuneration paid by ITOCHU Corporation to the Independent Auditor for audit certification in accordance with Article 2, Paragraph 1 of the Certified Public Accountants Law.	¥675 million
2) Total amount of remuneration paid by ITOCHU Corporation and its subsidiaries	¥2,339 million

Notes: 1. The audit agreement between the Independent Auditor and ITOCHU Corporation does not separately stipulate audit remunerations based on the Companies Act and the Financial Instruments and Exchange Act. Hence, the remuneration in 1) above includes remunerations for auditing based on the Financial Instruments and Exchange Act and auditing of financial statements in English based on International Financial Reporting Standards (IFRS).

2. ITOCHU Corporation has paid remuneration to the Independent Auditor for services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Law which include preparation of comfort letters, and such amount is included in the above 2) total amount of remuneration.

3. The Audit & Supervisory Board, having checked the auditing plans of the Independent Auditor and having reviewed and investigated the status of its performance of duties and quality of audit in past fiscal years, the grounds for calculation of remuneration estimates, and other matters, has given consent to the remuneration for the Independent Auditor in accordance with Article 399, Paragraph 1 of the Companies Act.

4. Of the major subsidiaries and associated companies as described in "1. Current Conditions of the ITOCHU Group, (4) Status of Major Group Companies, 1) Major Subsidiaries and Associated Companies," Prima Meat Packers, Ltd., YANASE & CO., LTD., and Orient Corporation are audited by Ernst & Young ShinNihon LLC, FUJI OIL HOLDINGS INC. and DESCENTE LTD. are audited by KPMG AZSA LLC, and overseas subsidiaries and affiliates are audited by local auditing firms possessing similar qualifications under the relevant laws and regulations.

(3) Policy Regarding Decisions to Dismiss or Deny Reappointment of Independent Auditor

The Audit & Supervisory Board shall dismiss the Independent Auditor if any of the items of Article 340, Paragraph 1 of the Companies Act applies with respect to the Independent Auditor by unanimous consent of the Audit & Supervisory Board. In this case, an Audit & Supervisory Board Member selected by the Audit & Supervisory Board will report on the reason for the dismissal of the Independent Auditor at the first General Meeting of Shareholders held after the Independent Auditor's dismissal.

In addition, if it is determined that the appropriateness and credibility of audits by the Independent Auditor cannot be ensured, the Audit & Supervisory Board shall decide on the content of the proposal to dismiss or deny the reappointment of the Independent Auditor to be submitted to the General Meeting of Shareholders.

5. Overview of the Basic Policy Regarding Internal Control Systems and the Operational Status Thereof

(1) Outline of Basic Policy Regarding the Internal Control System

ITOCHU Corporation has established the following internal control systems, which are necessary to ensure that directors' implementation of duties are in compliance with laws and statutory regulations and Articles of Incorporation and ensure the appropriateness of other operations. Below is a summary of the Basic Policy regarding the Internal Control System, which the Board of Directors approved on April 19, 2006. (Recent revisions have been made, dated May 14, 2021.)

1) System to Ensure Compliance by Directors and Employees to Laws, Regulations and the Articles of Incorporation

[Corporate Governance]

1) As the decision-making body, the Board of Directors, consisting of Directors and Outside Directors, is to decide important matters in accordance with laws and regulations, the Articles of Incorporation, the "Board of Directors Regulations," and other internal regulations, and as the supervisory body, the Board of Directors is to supervise the performance of the directors.
2) Each director is to carry out such director's functions and duties as designated by the Board of Directors in accordance with laws and regulations, the Articles of Incorporation, resolutions by the Board of Directors, and internal regulations.
3) ITOCHU Corporation is to adopt the Executive Officer System to strengthen the decision-making function and supervisory function of the Board of Directors, and to streamline executive decision-making. Based on the approval of the Board of Directors, executive officers implement their designated duties based on delegation from the Board of Directors and representative directors.
4) The Audit & Supervisory Board Members are to oversee the performance of the directors based on the "Audit & Supervisory Board Regulations" and "Auditors' Auditing Standards."

[Compliance]

1) Directors, executive officers and employees are to conduct themselves in accordance with the ITOCHU Group Corporate Mission and the ITOCHU Group Guideline of Conduct.
2) ITOCHU Corporation is to designate a representative director as the chief officer responsible for supervising compliance and also establish the Compliance Committee and a department that oversees all compliance matters. In addition, the "ITOCHU Group Compliance Program" is to be created to further enhance our compliance system.

[Internal Control to Ensure Reliability of Financial Reporting]

1) ITOCHU Corporation is to have in place internal regulations concerning commercial transactions management and accounting, and is to create the position of CFO (Chief Financial Officer) to ensure the reliability of financial reporting.
2) ITOCHU Corporation is to establish the Disclosure Committee and regularly review and improve the development and implementation status of the internal control systems to ensure the reliability of financial reporting.

[Internal Audits]

ITOCHU Corporation is to establish the Internal Audit Division under the direct control of the President & Chief Operating Officer. The Internal Audit Division is to regularly implement internal audits of all aspects of business operations based on the "Audit Regulations." Such internal audits are to examine compliance with laws and regulations, the Articles of Incorporation, and internal regulations, as well as, among other matters, the appropriateness of the procedures and nature of the exercise of duties and responsibilities.

2) System for the Storage and Preservation of Information Related to Director Duties

The directors are to appropriately store and preserve important documents and related materials concerning the performance of their duties, including the minutes of the General Meeting of Shareholders, in accordance with the "Information Management Regulations," the "Document Management Rules" and other internal regulations. All documents and information so stored and preserved are to be subject to inspection by the directors and auditors at any time. Further, ITOCHU Corporation will establish departments responsible for the timely disclosure of important corporate information and other information. At the same time, directors will rapidly and comprehensively gather information that requires disclosure and implement timely and appropriate disclosure in compliance with laws and statutory regulations.

3) Regulations Concerning the Management of the Risk of Loss and Other Relevant Risk Management System

To adequately address the various risks associated with our business operations, such as market risk, credit risk, country risk, investment risk, and environmental/social risks, ITOCHU Corporation is to establish internal committees and responsible departments, and is to develop the necessary risk management system and risk management techniques, for example establishing a full range of management regulations, investment criteria, risk limits and transaction limits, and developing reporting and monitoring systems, and managing company-wide as well as matter-specific risks. Furthermore, ITOCHU Corporation is to regularly review the effectiveness of the risk management system.

4) System to Ensure Efficient Performance of Directors

[The HMC and Other Internal Committees]

The HMC (Headquarters Management Committee) as a supporting body to the President & Chief Operating Officer, and a number of other internal committees, are to facilitate the proper and agile decision-making by the President & Chief Operating Officer and the Board of Directors.

[Division Company System]

Under the Division Company System, the position of Division Company president is to be created at each Company, and each Company is to manage its business autonomously in accordance with laws and regulations, the Articles of Incorporation, and internal regulations. Furthermore, each Company is to establish its own numerical targets, and regularly evaluate its performance by comparing against such numerical targets.

[Clearly Define the Scope of Authority and Responsibilities]

In order to ensure the appropriateness and efficiency of the performance of the management, ITOCHU Corporation is to develop internal regulations to clearly define the scope of authority and responsibilities of each corporate officer and divisional manager.

5) System to Ensure the Adequacy of Operations of the ITOCHU Group (Consisting of ITOCHU Corporation and Its Subsidiaries)

[Subsidiary Management and Reporting System]

1) ITOCHU Corporation is to establish a department that oversees all the subsidiaries. Furthermore, relevant departments within ITOCHU Corporation are to exercise jurisdiction over their responsible subsidiaries, and provide managerial guidance to such subsidiaries in accordance with the internal regulations concerning consolidated company management. In principle, ITOCHU Corporation is to send directors and Audit & Supervisory Board Members to each subsidiary to ensure the adequacy of the subsidiary's operations.
2) With respect to subsidiaries that ITOCHU Corporation owns indirectly through its directly-owned subsidiaries, ITOCHU Corporation is to strive to ensure the adequacy of operations by such indirectly-owned subsidiaries in accordance with this Basic Policy by way of, in principle, causing directly-owned subsidiaries to provide managerial guidance to indirectly-owned subsidiaries.
3) With respect to important matters on the management of subsidiaries, ITOCHU Corporation is to, in principle, agree and specify with each subsidiary what matters will require the prior approval of or reporting to ITOCHU Corporation, as appropriate, taking into account, among others, each subsidiary's nature and size of business and whether it is listed or unlisted.

[Rules and Other Systems to Manage the Risk of Loss at Subsidiaries]

ITOCHU Corporation is to identify the subsidiaries which shall be subject to our Group-wide risk management in respect of each risk category, taking into account, among others, each subsidiary's nature and size of business and whether it is listed or unlisted. In addition, ITOCHU Corporation is to periodically review the effectiveness of such Group-wide management system.

[System to Ensure the Efficient Performance of Duties by Directors, etc. of Subsidiaries]

ITOCHU Corporation is to formulate a management plan on a consolidated basis and undertake managerial guidance of subsidiaries in order to attain the said management plan as well as to provide support to subsidiaries such as provision of group financing from ITOCHU Corporation.

[System to Ensure Compliance by Directors, etc. and Employees of Subsidiaries to Laws, Regulations and the Articles of Incorporation]

1) In principle, ITOCHU Corporation is to send directors and Audit & Supervisory Board Members to each subsidiary and strive to ensure that the performance of duties of directors, etc. and employees of a subsidiary complies with laws and regulations, and the Articles of Incorporation of such subsidiary through supervision and audit of the performance of duties at the subsidiary by the said directors and auditors sent from ITOCHU Corporation.
2) ITOCHU Corporation is to provide guidance to its subsidiaries for the purpose of implementing a compliance system under the "ITOCHU Group Compliance Program" and to perform periodic monitoring and review of the implementation status of the relevant matters as well as providing education and training at subsidiaries whenever necessary for the purpose of securing compliance by the entire ITOCHU Group.
3) All of the operations and activities of the subsidiaries are to be subject to internal audits by the Internal Audit Division.

6) Matters Concerning Supporting Personnel to Audit & Supervisory Board Members, Independence of Such Personnel from the Directors and Ensuring the Effectiveness of Instructions to Such Personnel

ITOCHU Corporation is to establish the Audit & Supervisory Board Members' Office under the direct jurisdiction of the Audit & Supervisory Board and is to put in place full-time employees with the sole responsibility of supporting the work of the Audit & Supervisory Board Members. The supervisory authority over such employees is to belong exclusively to the Audit & Supervisory Board Members, and evaluation of such employees is to be carried out by the Audit & Supervisory Board Member designated by the Audit & Supervisory Board. Any transfer orders or disciplinary actions relating to such employees are to require prior approval by such Audit & Supervisory Board Member.

7) System for Reporting by Directors and Employees to Audit & Supervisory Board Members

[Attendance at Important Meetings]

The Audit & Supervisory Board Members are to attend meetings of the Board of Directors, the HMC meetings, and other important meetings, and interview the directors and other relevant persons regarding the performance of their duties. In addition, the Audit & Supervisory Board Members are to have the right to inspect all relevant materials.

[Reporting System]

1) The directors and corporate officers are to regularly report to the Audit & Supervisory Board Members about their performance. Furthermore, in addition to the matters required by laws and regulations, the directors and corporate officers are to report all the decisions that could have a major impact on the finance or business of ITOCHU Corporation to the Audit & Supervisory Board Members immediately after such decisions are made.
2) Employees are to have the right to report directly to the Audit & Supervisory Board Members any matters that could cause serious damage to ITOCHU Corporation.
3) In the "ITOCHU Group Compliance Program," ITOCHU Corporation is to explicitly prohibit disadvantageous treatment of directors and employees who have reported to the Audit & Supervisory Board Members and to ensure thorough familiarization with this prohibition.

8) System for Reporting by Directors, Audit & Supervisory Board Members and Employees of Subsidiaries or by a Person who Received a Report from Them to Audit & Supervisory Board Members

[Reporting System]

1) The directors and Audit & Supervisory Board Members of subsidiaries may report directly to the Audit & Supervisory Board Members of ITOCHU Corporation any matters that could cause serious damage to the said subsidiary.
2) A department that oversees compliance is to periodically report to the Audit & Supervisory Board Members of ITOCHU Corporation a summary of matters that could cause serious damage to a subsidiary that were reported by the officers and employees of the said subsidiary.
3) In the "ITOCHU Group Compliance Program," ITOCHU Corporation is to explicitly prohibit disadvantageous treatment of persons who have reported to the Audit & Supervisory Board Members under the provisions listed above and to ensure full familiarization with this prohibition.

9) Matters Concerning Policy on Procedures for Prepayment or Refund of Expenses Arising in Relation to Performance of Duties of Audit & Supervisory Board Members and Processing of Expenses or Obligations Arising in Relation to the Performance of Other Duties

When an Audit & Supervisory Board Member claims prepayment, etc. from ITOCHU Corporation in relation to the performance of duties under Article 388 of the Companies Act, we are to process the relevant expense or claim promptly upon confirmation by the responsible department.

10) Other Relevant Systems to Ensure the Proper Functioning of Audits

[Coordination with the Audit & Supervisory Board Members by the Internal Audit Division]

The Internal Audit Division is to maintain close communication and coordination with the Audit & Supervisory Board Members with respect to matters such as formulation of the internal audit plan for each business year, and internal audit results.

[Retaining Outside Experts]

When deemed necessary, the Audit & Supervisory Board Members are to independently retain outside experts for the implementation of an audit.

(2) Overview of the Operational Status of Internal Control Systems

For the proper operation of internal control systems, ITOCHU Corporation has adopted a system by which it further segments items stipulated by the Basic Policy into more detailed confirmatory items in respect of each fiscal year, and, after setting the department in charge of each of these confirmatory items, conducts checks of the construction and the operational status of internal control systems by each department (and by other related internal committees) at the Internal Control Committee meetings held each half year. The Internal Control Committee in FY2022, chaired by the Chief Administrative Officer and with the Corporate Planning & Administration Division as its secretariat, consists of the Chief Financial Officer, General Manager of Internal Audit Division, and an external expert (attorney) as members. Audit & Supervisory Board Members also attend the meetings and voice opinions every time.

At its meetings, the Internal Control Committee verifies the content of checklists summarizing achievement status, issues, etc. for each of the above confirmatory items, as submitted by the departments in charge of each. It also confirms the construction and operational status of internal control systems by verifying the content of individual reports from the departments in charge, with respect to important matters such as systems to ensure the reliability of financial reporting, compliance systems, systems to manage the risk of losses, and the construction and operational status of internal control systems in the ITOCHU Group.

The results of deliberations by the Internal Control Committee are reported twice per year to the HMC and the Board of Directors, the latter of which conducts a full-year evaluation of the construction and operational status of internal control systems.

Regarding the meetings of main internal committees related to internal control in FY2021, the Internal Control Committee met 2 times, the Compliance Committee met 2 times, and the Asset Liability Management (ALM) Committee met 10 times.

Our internal control systems are constructed on the base of the ITOCHU Group, consisting of ITOCHU Corporation and its subsidiaries, and the operational status of the Group base internal control systems, and the construction and operational status of internal control systems in subsidiaries, are reported regularly to the Internal Control Committee.

We intend to revise and improve these internal control systems tirelessly in order to build systems that are even more appropriate and efficient. Further, a meeting of the Board of Directors convened on May 14, 2021, evaluated the development and implementation status of each item enumerated in the Basic Policy regarding the Internal Control System for FY2021 and confirmed that there were no significant deficiencies or defects.

Consolidated Financial Statements

Consolidated Statement of Financial Position

ITOCHU Corporation and its Subsidiaries
As of March 31, 2021 and 2020

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

	Millions of Yen	
Assets	**2021**	2020 (Reference)
Current assets:		
Cash and cash equivalents	¥ **544,009**	¥ 611,223
Time deposits	**9,945**	8,858
Trade receivables	**2,122,815**	2,113,746
Other current receivables	**166,282**	176,691
Other current financial assets	**44,930**	45,315
Inventories	**898,692**	952,029
Advances to suppliers	**80,521**	89,425
Other current assets	**161,256**	135,774
Assets held for sale	**248,861**	–
Total current assets	**4,277,311**	4,133,061
Non-current assets:		
Investments accounted for by the equity method	**1,867,777**	1,640,286
Other investments	**952,374**	816,518
Non-current receivables	**658,658**	660,578
Non-current financial assets other than investments and receivables	**166,611**	172,417
Property, plant and equipment	**1,939,791**	2,137,474
Investment property	**50,665**	58,595
Goodwill and intangible assets	**1,125,836**	1,163,107
Deferred tax assets	**60,446**	61,051
Other non-current assets	**78,963**	76,511
Total non-current assets	**6,901,121**	6,786,537
Total assets	¥ **11,178,432**	¥ 10,919,598

Liabilities and Equity	Millions of Yen 2021	2020 (Reference)
Current liabilities:		
Short-term debentures and borrowings	¥ **710,213**	¥ 684,406
Lease liabilities (short-term)	**238,446**	242,076
Trade payables	**1,628,766**	1,707,472
Other current payables	**199,757**	215,175
Other current financial liabilities	**40,172**	35,699
Current tax liabilities	**57,370**	67,074
Advances from customers	**84,699**	81,799
Other current liabilities	**374,489**	368,163
Liabilities held for sale	**220,722**	–
Total current liabilities	**3,554,634**	3,401,864
Non-current liabilities:		
Long-term debentures and borrowings	**2,445,099**	2,192,557
Lease liabilities (long-term)	**825,170**	937,345
Other non-current financial liabilities	**53,483**	68,900
Non-current liabilities for employee benefits	**116,631**	133,138
Deferred tax liabilities	**150,275**	200,912
Other non-current liabilities	**162,900**	144,273
Total non-current liabilities	**3,753,558**	3,677,125
Total liabilities	**7,308,192**	7,078,989
Equity:		
Common stock	**253,448**	253,448
Capital surplus	**(155,210)**	50,677
Retained earnings	**3,238,948**	2,948,135
Other components of equity:		
Translation adjustments	**131,612**	(37,836)
FVTOCI financial assets	**38,740**	(31,972)
Cash flow hedges	**(9,897)**	(19,163)
Total other components of equity	**160,455**	(88,971)
Treasury stock	**(181,360)**	(167,338)
Total shareholders' equity	**3,316,281**	2,995,951
Non-controlling interests	**553,959**	844,658
Total equity	**3,870,240**	3,840,609
Total liabilities and equity	¥ **11,178,432**	¥ 10,919,598

Note: ITOCHU Corporation prepared the consolidated financial statements in conformity with IFRS.

Consolidated Statement of Comprehensive Income
ITOCHU Corporation and its Subsidiaries
Years ended March 31, 2021 and 2020

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

	Millions of Yen	
	2021	2020 (Reference)
Revenues:		
Revenues from sale of goods	**¥ 9,156,193**	¥ 9,738,983
Revenues from rendering of services and royalties	**1,206,435**	1,243,985
Total revenues	**10,362,628**	10,982,968
Cost:		
Cost of sale of goods	**(7,989,246)**	(8,575,102)
Cost of rendering of services and royalties	**(592,635)**	(610,078)
Total cost	**(8,581,881)**	(9,185,180)
Gross trading profit	**1,780,747**	1,797,788
Other gains (losses):		
Selling, general and administrative expenses	**(1,366,489)**	(1,380,944)
Provision for doubtful accounts	**(10,844)**	(17,406)
Gains on investments	**4,105**	57,801
Losses on property, plant, equipment and intangible assets	**(157,524)**	(4,396)
Other–net	**(6,197)**	(1,414)
Total other-losses	**(1,536,949)**	(1,346,359)
Financial income (loss):		
Interest income	**23,114**	35,267
Dividends received	**53,145**	66,474
Interest expense	**(36,218)**	(57,600)
Total financial income	**40,041**	44,141
Equity in earnings of associates and joint ventures	**228,636**	205,860
Profit before tax	**512,475**	701,430
Income tax expense	**(71,592)**	(142,221)
Net profit	**440,883**	559,209
Net profit attributable to ITOCHU	**¥ 401,433**	¥ 501,322
Net profit attributable to non-controlling interests	**39,450**	57,887
Other comprehensive income, net of tax:		
Items that will not be reclassified to profit or loss:		
FVTOCI financial assets	**80,764**	(67,643)
Remeasurement of net defined pension liability	**12,449**	(3,835)
Other comprehensive income in associates and joint ventures	**13,474**	(7,761)
Items that will be reclassified to profit or loss:		
Translation adjustments	**114,879**	(92,645)
Cash flow hedges	**3,470**	(6,074)
Other comprehensive income in associates and joint ventures	**63,660**	(43,307)
Total other comprehensive income, net of tax	**288,696**	(221,265)
Total comprehensive income	**729,579**	337,944
Total comprehensive income attributable to ITOCHU	**¥ 655,259**	¥ 279,832
Total comprehensive income attributable to non-controlling interests	**74,320**	58,112

Note: ITOCHU Corporation prepared the consolidated financial statements in conformity with IFRS.

Consolidated Statement of Changes in Equity
ITOCHU Corporation and its Subsidiaries
Year ended March 31, 2021

(Amount less than 1 million yen have been rounded to the nearest 1 million yen) (Millions of Yen)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total share-holders' equity		
Balance at the beginning of the year	253,448	50,677	2,948,135	(88,971)	(167,338)	2,995,951	844,658	3,840,609
Net profit			401,433			401,433	39,450	440,883
Other comprehensive income				253,826		253,826	34,870	288,696
Total comprehensive income			401,433	253,826		655,259	74,320	729,579
Cash dividends to shareholders			(129,008)			(129,008)		(129,008)
Cash dividends to non-controlling interests						–	(27,832)	(27,832)
Net change in acquisition (disposition) of treasury stock					(14,022)	(14,022)		(14,022)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		(205,887)		13,988		(191,899)	(337,187)	(529,086)
Transfer to retained earnings			18,388	(18,388)		–		–
Balance at the end of the year	253,448	(155,210)	3,238,948	160,455	(181,360)	3,316,281	553,959	3,870,240

Note: ITOCHU Corporation prepared the consolidated financial statements in conformity with IFRS.

Consolidated Statement of Changes in Equity
ITOCHU Corporation and its Subsidiaries
Year ended March 31, 2020 (Reference)

(Amount less than 1 million yen have been rounded to the nearest 1 million yen) (Millions of Yen)

	Shareholders' equity						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total share-holders' equity		
Balance at the beginning of the year	253,448	49,584	2,608,243	131,234	(105,601)	2,936,908	753,208	3,690,116
Cumulative effects of the application of new accounting standards			(26,501)			(26,501)	(5,295)	(31,796)
Net profit			501,322			501,322	57,887	559,209
Other comprehensive income				(221,490)		(221,490)	225	(221,265)
Total comprehensive income			501,322	(221,490)		279,832	58,112	337,944
Cash dividends to shareholders			(133,537)			(133,537)		(133,537)
Cash dividends to non-controlling interests						–	(27,295)	(27,295)
Net change in acquisition (disposition) of treasury stock					(61,737)	(61,737)		(61,737)
Net change in sale (purchase) of subsidiary shares to (from) non-controlling interests		1,093		(107)		986	65,928	66,914
Transfer to retained earnings			(1,392)	1,392		–		–
Balance at the end of the year	253,448	50,677	2,948,135	(88,971)	(167,338)	2,995,951	844,658	3,840,609

Note: ITOCHU Corporation prepared the consolidated financial statements in conformity with IFRS.

Non-Consolidated Balance Sheet
ITOCHU Corporation
As of March 31, 2021 and 2020

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

	Millions of Yen	
Assets	**2021**	2020 (Reference)
Current assets:		
Cash and deposits with banks	**¥ 82,362**	¥ 78,151
Trade notes receivable	**24,543**	28,117
Trade accounts receivable	**543,150**	535,715
Inventories	**215,984**	207,987
Prepaid expenses	**5,631**	5,440
Other receivable	**166,026**	185,033
Short-term loans receivable	**155**	28
Short-term loans receivable from subsidiaries and associated companies	**3,587**	516
Other current assets	**65,118**	59,639
Allowance for doubtful receivables	**(1,727)**	(988)
Total current assets	**1,104,829**	1,099,638
Non-current assets:		
Property, plant and equipment:		
Buildings and structures	**1,602**	1,938
Land	**26,755**	26,755
Others	**4,504**	3,138
Total property, plant and equipment net of accumulated depreciation	**32,861**	31,831
Intangible assets:		
Software	**19,518**	19,107
Others	**14,536**	5,823
Total intangible assets	**34,054**	24,930
Investments and other assets:		
Investments in securities	**204,305**	171,273
Investments in subsidiaries' and associated companies' equity securities	**1,525,466**	1,555,485
Investments in subsidiaries' and associated companies' securities other than equity securities and corporate bonds	**12,115**	16,421
Investments in equity interests	**26,450**	29,735
Investments in subsidiaries' and associated companies' equity interests	**170,557**	85,281
Long-term loans receivable	**12**	18
Long-term loans receivable from subsidiaries and associated companies	**2,546**	3,452
Claims provable in bankruptcy	**32,586**	31,152
Deferred tax assets	**39,187**	7,502
Other investments	**12,071**	11,539
Allowance for doubtful receivables	**(22,423)**	(21,724)
Allowance for loss on investments	**(16,369)**	(78)
Total investments and other assets	**1,986,503**	1,890,056
Total non-current assets	**2,053,418**	1,946,817
Total Assets	**¥ 3,158,247**	¥ 3,046,455

Liabilities and Equity	Millions of Yen 2021	2020 (Reference)
Current liabilities:		
Trade notes payable	¥ **12,789**	¥ 21,067
Trade accounts payable	**323,794**	294,754
Short-term debt	**580,900**	392,229
Bonds, due within one year	**70,000**	65,630
Other payable	**124,561**	124,726
Accrued expenses	**58,875**	70,678
Income taxes payable	**1,678**	7,089
Advances from customers	**22,006**	13,803
Deposits received	**113,712**	91,781
Deferred income	**6,036**	5,158
Other current liabilities	**15,558**	11,222
Total current liabilities	**1,329,909**	1,098,137
Non-current liabilities:		
Bonds	**140,800**	155,445
Long-term debt	**406,091**	531,464
Provision for retirement benefits for employees	**21,697**	17,631
Provision for stock benefits	**2,151**	2,039
Provision for retirement benefits for directors, corporate auditors and executive officers	**31**	31
Provision for loss on guarantees	**233,712**	28,033
Other non-current liabilities	**95,094**	90,532
Total non-current liabilities	**899,576**	825,175
Total liabilities	**2,229,485**	1,923,312
Equity	**865,017**	1,079,412
Common stock	**253,448**	253,448
Capital surplus	**62,600**	62,600
Additional paid-in capital	**62,600**	62,600
Other capital surplus	**0**	0
Retained earnings	**729,357**	929,706
Legal reserve	**36,323**	36,323
Other retained earnings		
Retained earnings unappropriated	**693,034**	893,383
Treasury stock, at cost	**(180,388)**	(166,342)
Valuation, translation adjustments and others	**63,745**	43,731
Unrealized gain on available-for-sale securities	**62,218**	36,694
Deferred gain on derivatives under hedge accounting	**1,527**	7,037
Total equity	**928,762**	1,123,143
Total Liabilities and Equity	¥ **3,158,247**	¥ 3,046,455

Non-Consolidated Statement of Income
ITOCHU Corporation
Years ended March 31, 2021 and 2020

(Amount less than 1 million yen have been rounded to the nearest 1 million yen)

	Millions of Yen	
	2021	2020 (Reference)
Total trading transactions	**¥ 3,575,369**	¥ 4,411,184
Cost of trading transactions	**3,423,113**	4,264,630
Gross trading profit	**152,256**	146,554
Selling, general and administrative expenses	**137,136**	147,071
Operating income (loss)	**15,120**	(517)
Other income:		
Interest income	**2,689**	7,502
Dividends received	**281,932**	280,322
Others	**18,046**	14,550
Total other income	**302,667**	302,374
Other expenses:		
Interest expense	**2,599**	9,188
Compensation expenses	**2,692**	–
Others	**6,604**	4,973
Total other expenses	**11,895**	14,161
Ordinary income	**305,892**	287,696
Extraordinary gains:		
Gain on sales of property, plant and equipment	**352**	6,326
Gain on sales of investments in securities	**12,195**	26,365
Total extraordinary gains	**12,547**	32,691
Extraordinary losses:		
Loss on sales of property, plant and equipment	**31**	112
Loss on investments in subsidiaries and associated companies	**380,869**	47,959
Loss on sales of investments in securities	**2,150**	435
Loss on devaluation of investments in securities	**9,242**	15,479
Loss on impairment of long-lived assets	**399**	318
Provision for loss on long-term energy contracts	**36,625**	–
Total extraordinary losses	**429,316**	64,303
Profit (loss) before income taxes	**(110,877)**	256,084
Income taxes — current	**(984)**	17,625
Income taxes — deferred	**(38,552)**	(9,951)
Net profit (loss)	**¥ (71,341)**	¥ 248,410

Non-Consolidated Statement of Changes in Equity

ITOCHU Corporation

Year ended March 31, 2021

(Amount less than 1 million yen have been rounded to the nearest 1 million yen) (Millions of Yen)

	Shareholders' equity									Valuation, translation adjustments and others			Total equity
	Common stock	Capital surplus			Retained earnings			Treasury stock, at cost	Total share-holders' equity	Unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Total valuation, translation adjustments and others	
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings	Total retained earnings						
						Retained earnings unappropriated							
Balance at beginning of year	253,448	62,600	0	62,600	36,323	893,383	929,706	(166,342)	1,079,412	36,694	7,037	43,731	1,123,143
Changes during the year													
Dividends						(129,008)	(129,008)		(129,008)				(129,008)
Net profit (loss)						(71,341)	(71,341)		(71,341)				(71,341)
Purchase of treasury stock								(14,266)	(14,266)				(14,266)
Disposal of treasury stock			0	0				220	220				220
Net changes of items other than share-holders' equity										25,524	(5,510)	20,014	20,014
Net change in the year	–	–	0	0	–	(200,349)	(200,349)	(14,046)	(214,395)	25,524	(5,510)	20,014	(194,381)
Balance at end of year	253,448	62,600	0	62,600	36,323	693,034	729,357	(180,388)	865,017	62,218	1,527	63,745	928,762

Non-Consolidated Statement of Changes in Equity

ITOCHU Corporation

Year ended March 31, 2020 (reference)

(Amount less than 1 million yen have been rounded to the nearest 1 million yen) (Millions of Yen)

	Shareholders' equity									Valuation, translation adjustments and others			Total equity
	Common stock	Capital surplus			Retained earnings			Treasury stock, at cost	Total share-holders' equity	Unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Total valuation, translation adjustments and others	
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings	Total retained earnings						
						Retained earnings unappropriated							
Balance at beginning of year	253,448	62,600	–	62,600	36,323	778,510	814,833	(104,605)	1,026,276	47,638	7,154	54,792	1,081,068
Changes during the year													
Dividends						(133,537)	(133,537)		(133,537)				(133,537)
Net profit						248,410	248,410		248,410				248,410
Purchase of treasury stock								(62,016)	(62,016)				(62,016)
Disposal of treasury stock			0	0				279	279				279
Net changes of items other than share-holders' equity										(10,944)	(117)	(11,061)	(11,061)
Net change in the year	–	–	0	0	–	114,873	114,873	(61,737)	53,136	(10,944)	(117)	(11,061)	42,075
Balance at end of year	253,448	62,600	0	62,600	36,323	893,383	929,706	(166,342)	1,079,412	36,694	7,037	43,731	1,123,143

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 12, 2021

To the Board of Directors of
ITOCHU Corporation:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant: Koichi Okubo
Designated Engagement Partner,
Certified Public Accountant: Haruko Nagayama
Designated Engagement Partner,
Certified Public Accountant: Susumu Nakamura

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of ITOCHU Corporation and its consolidated subsidiaries (the "Group"), namely, the consolidated statement of financial position as of March 31, 2021, and the consolidated statement of comprehensive income, and consolidated statement of changes in equity for the fiscal year from April 1, 2020 to March 31, 2021, and the related notes.

In our opinion, the accompanying consolidated financial statements, prepared with the omission of a part of the disclosures required under International Financial Reporting Standards pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting, present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2021, and its consolidated financial performance for the year then ended.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows

companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting Standards.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgement. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader, and "the related notes" referred to in this report are not included in the attached financial documents.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 12, 2021

To the Board of Directors of
ITOCHU Corporation:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant: Koichi Okubo
Designated Engagement Partner,
Certified Public Accountant: Haruko Nagayama
Designated Engagement Partner,
Certified Public Accountant: Susumu Nakamura

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the non-consolidated financial statements of ITOCHU Corporation (the "Company"), namely, the non-consolidated balance sheet as of March 31, 2021, and the non-consolidated statement of income and non-consolidated statement of changes in equity for the 97th fiscal year from April 1, 2020 to March 31, 2021, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2021, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the non-consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader, and "the related notes and the accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

(Translation)

AUDIT REPORT OF THE Audit & Supervisory Board

This audit report was prepared following the discussions based on the respective audit reports of each Audit & Supervisory Board Member concerning the conduct of the Directors in the performance of their duties during the 97th fiscal year from April 1, 2020 to March 31, 2021. The Audit & Supervisory Board submits its report as follows.

1. Methods and Details of the Audit by the Audit & Supervisory Board Members and the Audit & Supervisory Board

The Audit & Supervisory Board established the policies of audit, the division of duties and other matters, and received reports from each Audit & Supervisory Board Member on the status and results of its audits. In addition, the Audit & Supervisory Board received reports from the Directors, etc., and the Independent Auditor regarding the performance of their duties, and requested explanations as necessary.

In accordance with the policies of audit, division of duties and the standards for the Audit & Supervisory Board Members as established by the Audit & Supervisory Board, each Audit & Supervisory Board Member communicated with the Directors, the Internal Audit Department, employees and others, committed to gather information and to enhance the audit environment, attended the meetings of the Board of Directors and other important meetings, received reports from the Directors, employees and others regarding the performance of their duties, requested explanations as necessary, and inspected important documents supporting decisions and other records and examined the status of operations and assets at the head office and important operating locations. In addition, the Audit & Supervisory Board periodically received reports from the Directors, employees and others, requested explanations as necessary, inspected important documents supporting decisions and other records, and expressed opinions regarding the details of the Board of Directors' resolutions and the system that is developed and operated in accordance with such resolution concerning the development of system to ensure that Directors' performance of their duties are in compliance with the laws and regulations, and the Articles of Incorporation of ITOCHU Corporation and the system to ensure the adequacy of operations of the ITOCHU Group consisting of ITOCHU Corporation and its subsidiaries as stipulated under Article 100, paragraphs 1 and 3 of the Ordinance for Enforcement of Company Act (internal control system).

As for the subsidiaries, each Audit & Supervisory Board Member promoted communications with the directors, Audit & Supervisory Board Members and, etc. of the subsidiaries, and received reports on the business of the subsidiaries as necessary.

Based on the above-mentioned methods, the business report and its supplemental schedules for the fiscal year under review were examined.

Moreover, each Audit & Supervisory Board Member monitored and verified whether the Independent Auditor, Deloitte Touche Tohmatsu LLC, maintained independence and conducted proper audit, received reports from the Independent Auditor regarding the status of the performance of its duties, and requested explanations as necessary.

The Audit & Supervisory Board Members also received the notification from the Independent Auditor that it had established a "system to ensure appropriate performance of its duties" (pursuant to Article 131 of the Company Accounting Regulations) in accordance with the "Quality Control Standards for Auditing" (issued by the Business Accounting Council on October 28, 2005), and requested explanation as necessary.

Based on the above-mentioned methods, the Audit & Supervisory Board examined the consolidated financial statements (the consolidated statements of financial position, the consolidated statements of income, the consolidated statements of changes in equity, and the notes to consolidated financial statements) as well as the non-consolidated financial statements (the non-consolidated balance sheet, the non-consolidated statements of income, the non-consolidated statements of changes in equity, and the notes to non-consolidated financial statements) and the accompanying supplemental schedules for the fiscal year under review.

2. Results of Audit

(1) Results of Audit of Business Reports, etc.

We confirm as follows;

(a) The business report and the accompanying supplemental schedules present ITOCHU Corporation's situation correctly in accordance with laws and regulations, and the Articles of Incorporation of ITOCHU Corporation.

(b) There was no improper behavior, or serious violation of any applicable laws and regulations or of the Articles of Incorporation of ITOCHU Corporation concerning the Directors' performance of their duties.

(c) The details of the Board of Directors resolutions concerning the internal control system were appropriate and adequate. Furthermore, there was no matter we must point out, regarding the description of the internal control system in the business report and the Directors' performance of their duties concerning the internal control system.

(2) Results of Audit of Consolidated Financial Statements

We confirm that the auditing method and results of the Independent Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of Audit of Non-Consolidated Financial Statements and the Accompanying Supplemental Schedules

We confirm that the auditing method and results of the Independent Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

May 12, 2021

ITOCHU Corporation Audit & Supervisory Board

Shuzaburo Tsuchihashi
Audit & Supervisory Board Member (full time)

Makoto Kyoda
Audit & Supervisory Board Member (full time)

Shingo Majima
Outside Audit & Supervisory Board Member

Kentaro Uryu
Outside Audit & Supervisory Board Member

Kotaro Ohno
Outside Audit & Supervisory Board Member

End