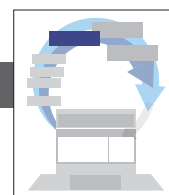




Inbound tourism services provided
by RING BELL co., Ltd.

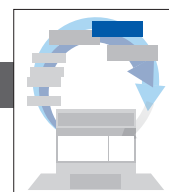
FYE 2020 Review (Achievement of Short-Term Targets)

- Established this new Division Company on July 1, 2019 to cultivate new businesses and customers from a market-oriented perspective
- Promoted a business alliance with RING BELL co., Ltd. in the inbound tourism business
- Formed a capital and business alliance with Couger Inc. ("Couger"), a start-up in the field of Artificial Intelligence (AI) development
- Introduced the Lab concept by setting up FamilyMart test stores
- Launched an all-in-one app "FamiPay" at FamilyMart



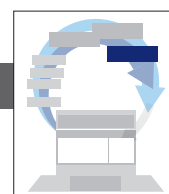
Steppingstones to Medium- to Long-Term Value Creation

- Supporting revisions in the use of FamilyMart stores and overseas business schemes ("earn") and efforts to reduce store and headquarters costs through the introduction of new technologies and make the supply chain more efficient ("cut"), thereby promoting existing business ("enhance")
- Developing new businesses, such as advertising, marketing, and financial services that utilize customer data
- At lab stores, utilizing new technologies and services obtained through ITOCHU's global information networks



Initiatives Supporting Sustainable Growth

- Creating a highly fluid, ameba-like organizational system conforming to a market-oriented perspective
- Introducing a new personnel system to further enhance employee motivation and growth
- Create an office environment that emphasizes productivity and functionality, such as "free address workspace," where employees are free to change desks



➡ Please refer to "Significant Risks to Be Managed on a Consolidated Basis" in the Risk Management section on Page 47.

Specific Example of Steppingstones to Medium- to Long-Term Value Creation

Initiatives with Couger, a Start-up in the Field of AI Development

In January 2020, ITOCHU announced a capital and business alliance with Couger. Couger has world-leading technologies in game AI with human-like emotions, technologies that gives AI a reliability by utilizing blockchain, and image-recognition AI that reads and analyzes human expressions and gestures.

Using Virtual Human Agent developed by Couger, we will engage in problem-solving and service development with a market-oriented perspective emphasizing market and consumer needs in a wide range of fields including nursing care, education, and entertainment, as well as in the consumer sector that is ITOCHU's forte.



Virtual Human Agent, which communicates with people via facial expressions and movements

Please also see the Sustainability Action Plan on our website for initiatives supporting sustainable growth.

<https://www.itochu.co.jp/en/csr/itochu/activity/actionplan/>

