■ PDCA Cycle for Promoting Human Resource Strategy

(1) Conduct engagement surveys

(2) Assess issues

(3) Decide on policies to address issues

Focused Working System

(Introduced in FYE 2023)

(introduced in FYE 2023)

Supporting junior and

mid-career employees

Supporting the

employees

advancement of female

development of female employees

ing (plan to introduce in FYE 2025)

(4) Implement measures

Opportunity for growth

Diversity

Implementation of measures

Evolution of the Morning-

• Introducing the Morning-Focused Flextime System

• Applying the work from home system to all employees

• Amending the human resource system based on the follow-

• Monitoring of and individual support for the promotion and

• Support for career continuation in consideration of life events

(1) Providing Evaluation and Compensation Commensurate with Results (such as competitive compensation levels in recruitment) (2) Supporting Employee-Led Career Development (A multifaceted career support for balancing childcare, nursing care, illness, etc., and, continuous re-education and re-skilling)

Key Issues Based on the Results of the Engagement Survey

Fostering job satisfaction among junior and mid-career employees

- Providing opportunities for independent career building and further growth
- · Remuneration and evaluation based on accomplishments, and feedback that leads to growth

Sharing personnel and ideas beyond the boundaries of organizations

- Promoting the smooth transfer of personnel
- Encouraging employees to take up further challenges

Responding to diverse values

- Reviewing uniform careers
- Offering greater options in relation to flexible work styles suited to diversified values, and types of work and lifestyles

We regularly conduct engagement surveys to capture employee feedback on the company, organization, systems, etc., in order to utilize it for future personnel measures and beyond. Taking the results into consideration, we review human resource strategies, and decide on countermeasures to issues at the Executive Committee. In fiscal years when we do not conduct engagement surveys, we conduct simplified surveys with carefully selected questions to swiftly and accurately assess progress on these measures, report the identified issues, etc. to the Executive Committee, and decide on new measures and improvements. In this way, we assess issues every year and conduct PDCA cycles to promote human resource strategies and make improvements.

In the engagement survey conducted in FYE 2022, we continued to receive a high level of positive responses. Compared with FYE 2019, however, there was a decrease in the figures in cultivation (engagement). After analyzing the factors, we recognized the need to respond to the diverse values of junior and female employees in particular. Therefore, as the second stage of work-style reforms starting from FYE 2023, we evolved the Morning-Focused Working System and introduced the Morning-Focused Flextime System and the work from home system (available to all employees). Recognizing support for junior and mid-career employees and female employees as an issue, ITOCHU will continue implementing various initiatives, such as support for career continuation in consideration of life events. By adhering these measures, ITOCHU will work to further enhance corporate value.

"Work-style reforms" Evolution (every five years)

2010-

FYE 2011

- In-house childcare facility "I-Kids" established (January 2010)
- "Work-style reforms" Started

FYE 2014

 "Morning-Focused Working System" introduced

2015-

FYE 2017

- "ITOCHU Health Charter" established
- "Work from home system" introduced for the employees with childcare and nursing care
- **FYF 2018**
- "Support for Balancing Cancer Care and Work" started

2020-

FYE 2022

- "Women's Advancement Committee" established
- "Support for employees hoping to return to work early after child birth" decided

2022

FYE 2023

- "Morning-Focused Flextime System" introduced
- · "Work from home system" introduced for all employees

Engagement Survey Results

Item of the Engagement Survey	FYE 2011	FYE 2015	FYE 2019	FYE 2022
Job satisfaction and engagement	73%	78%	76%	71%
Environment where employees thrive	62%	67%	64%	67%
Culture of striving for strong accomplishments	86%	91%	91%	93%

^{*} Each item represents important factors for our Company's goal to strive to be a company that is challenging but rewarding to work for. The percentage reflects the rate of positive responses for each item.

Major Indicators on Human Resource Strategy

Human Resource Strategy Issues	Item	FYE 2011	FYE 2016	FYE 2021	FYE 2023
	Labor productivity*1	1.0	1.5	2.5	5.2
Recruiting Outstanding Human Resources	Consolidated employees (People)	62,635	105,800	125,944	110,698
	Non-consolidated employees (People)	4,301	4,279	4,215	4,112
	Career-track employees (People)	3,257	3,387	3,435	3,331
	Female career-track employees (People) (%)	274 (8.4%)	294 (8.7%)	346 (10.1%)	375 (11.3%)
	Female employees as a percentage of new employees*2	45.5%	17.1%	29.9%	33.3%
	Female employees as a percentage of employees	25.5%	23.8%	23.4%	24.3%
Evolving Work Styles	Percentage of employees working in Morning-Focused Working System*3	_	40%	57%	54%
	Monthly average overtime hours (Hours / Monthly)*4	23.4	22.7	25.2	23.0
	Annual paid leave acquisition rate	51.9%	54.7%	52.6%	62.2%
	Childcare leave acquisition rate of male employees	1%	44%	34%*5	52%
	Average childcare leave acquisition days of male employees (Days)	50	2	10	36
Enhancing Health	Investment for health and productivity measures (Millions of yen)*6	723	554	507	570
	Percentage for screening among people targeted for special cancer checkups	_	_	96.2%	93.1%
	Rate of complication medical checkup reexamination	100%	100%	100%	100%
Supporting	Total investment in human resource development (Billions of yen)	1.05	1.30	1.10	1.63
	Investment in human resource development per employee (Thousands of yen)	243	304	260	396
Employee-Led	Employees with Chinese-language qualifications (People)	196	525	1,231	1,293
Career Development	Percentage of career-track employees sent overseas training by the eighth year of joining the Company	91.0%	87.9%	90.9%	89.4%
	Average years employed (Year)	15.8	16.7	17.9	18.3
	Voluntary resignation rate	0.9%	1.1%	1.5%	1.8%
Providing Evaluation and Compensation Commensurate with Results	Average annual salary (Millions of yen)	12.54	13.83	16.28	17.30
	Managers (People)	2,451	2,539	2,588	2,541
	Female managers (People) (%)	82 (3.5%)	136 (5.4%)	209 (8.1%)	219 (8.6%)
Increasing Awareness of Participation in Management	Percentage of membership in the Employee Shareholding Association	55%	52%	Almost 100%	Almost 100%

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

35

^{*2} The ratio includes new hires and mid-career recruitments.

^{*3} Calculated based on the number of people entering at or before 8:00 a.m.

^{*4} Hours exceeding the legally mandated eight hour workday are counted as overtime

^{*5} The percentage of men taking childcare leave temporarily declined in FYE 2021 due to the pandemic, which made it easier for them to provide childcare (without taking childcare leave) while working from home.

^{*6} Includes the personnel and various other costs associated with conducting healthcare management for employees.