

Corporate Officer Remuneration

A Highly Transparent Remuneration Plan Linked to Corporate Value

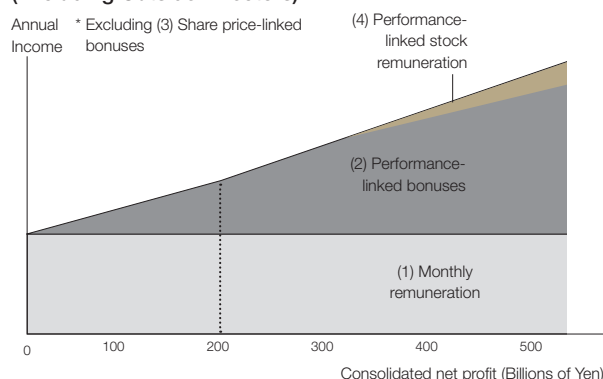
ITOCHU's remuneration plan for Directors is designed to be an incentive to grow business performance. Every fiscal year, the Board of Directors passes a resolution on Director remuneration based on the deliberations of the Governance and Remuneration Committee, an advisory committee to the Board of Directors.

Performance-linked bonus has a high proportion of overall remuneration. This percentage is not fixed at a certain level, and it slides upwards as the Company's earnings expand. Consolidated net profit is the key performance-linked indicator, a metric of high interest to the stock market for representing the source of funding for growth investments and shareholder returns. To raise awareness of contributing to medium- to long-term expansion in earnings and corporate value, a portion of remuneration includes stock remuneration. In addition, share price-linked bonuses depend on the rate of growth in the Company's share price between FYE 2019 and FYE 2021.

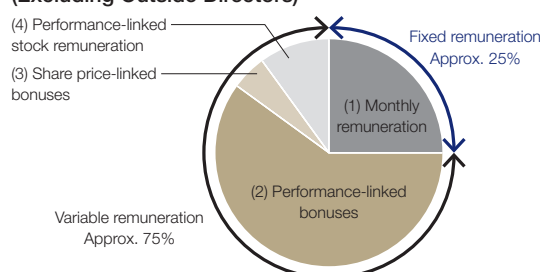
To maintain high levels of transparency, ITOCHU has externally disclosed the details of this remuneration system, including the calculation method.

As of FYE 2021, the remuneration system for Directors (excluding Outside Directors) is as follows.

**Remuneration Image of Directors
(Excluding Outside Directors)**



**Composition of Remuneration for Directors
(Excluding Outside Directors)**



* In the event of a consolidated net loss, neither performance-linked bonuses nor performance-linked stock remuneration will be paid.

Type of remuneration	Details	Fixed / Variable	Remuneration limit	Resolution at general meeting of shareholders
(1) Monthly remuneration	Determined according to factors that include degree of contribution to ITOCHU, based on a standard amount for each position	Fixed	¥0.8 billion per year as total amount of monthly remuneration (including ¥0.1 billion per year as a portion paid to Outside Directors)	June 21, 2019
(2) Performance-linked bonuses	Total amount of payment is determined based on consolidated net profit, and each individual payment amount is determined in relation to the position points for the Director	Variable (Single year)	¥2.0 billion per year as total bonuses paid to all Directors * Not paid to Outside Directors	
(3) Share price-linked bonuses	Calculated based on an evaluation of the relative growth rate of ITOCHU's share price from FYE 2019 to FYE 2021 vs. the growth rate of TOPIX	Variable (Medium to long term)	The amounts below are limits for two fiscal years, for Directors and Executive Officers - Limit on contribution to trust by ITOCHU: ¥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	June 24, 2016
(4) Performance-linked stock remuneration	Total payment amount is determined based on consolidated net profit, and each individual payment amount is determined in relation to the position points for the Director used in calculating the individual performance-linked bonus			

Details of the Remuneration Paid to Directors and Audit & Supervisory Board Members of the Company in FYE 2020

Type		Number of people	Total amount of remuneration (Millions of yen)	Details (Millions of yen)				
				Monthly remuneration	Performance-linked bonuses	Share price-linked bonuses	Special benefits	Stock remuneration
Directors	Inside	6	2,239	532	1,273	105	180	149
	Outside	4	59	59	—	—	—	—
	Total	10	2,298	591	1,273	105	180	149
Audit & Supervisory Board Members	Inside	2	86	86	—	—	—	—
	Outside	3	45	45	—	—	—	—
	Total	5	131	131	—	—	—	—

*1 Following deliberation by the Governance and Remuneration Committee, at a meeting of the Board of Directors held on May 13, 2020 ITOCHU resolved to pay special benefits. This is paid within the limit of bonuses for Directors, and is based on ITOCHU's record profits despite the increasingly severe business environment.

*2 The amounts of the share price-linked bonuses are calculated at the end of FYE 2021.

*3 The retirement benefits system for Directors and Audit & Supervisory Board Members was abolished on the date of the 81st Ordinary General Meeting of Shareholders held on June 29, 2005, and it was resolved that Directors and Audit & Supervisory Board Members retaining their positions after the conclusion of the said General Meeting of Shareholders shall be presented with retirement benefits on the date of their retirement for the period up to the time the retirement benefits system was abolished.