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Arrangements for lively discussions of the Board of Directors Proactive sharing of information with Outside Directors ➡ Page 76	Improvement in Group governance system Announcement and steady application of governance policies for listed subsidiaries ➡ Page 77	Incentives for earnings growth Fair and well-balanced Corporate Officer remuneration system, highly linked to business performance ➡ Page 78

Constant Improvement

Internal Directors	Outside Directors	Ratio of Outside Directors	Ratio of Female Directors
6 	4 	40% 	20%
6 	4 	40% 	20%
5 	3 	38% 	13%
5 	4 	44% 	11%
11 	3 	21% 	7%

P: Division Company President
 Overseas: CEO for East Asia Bloc; CEO for Asia & Oceania Bloc; Executive Advisory Officer for CP & CITIC Operations



Harufumi Mochizuki

Outside Director

Mr. Mochizuki was appointed as an Audit & Supervisory Board Member of ITOCHU in June 2014 and a Director in June 2017, following a position as the Vice Minister of Economy, Trade and Industry. In FYE 2020, he served as the Chairman of the Nomination Committee, and lead deliberations on the appointment and dismissal of key management members and succession plans. He provides many beneficial and broad-minded suggestions on topics including internal control, compliance, and next-generation businesses.

Ensuring and Improving Transparency of Decision-Making

There are always many number of options and directions to consider when making business decisions. I believe the primary role of Outside Directors in corporate governance is to maintain an objective and comprehensive perspective and examine whether all the necessary factors have been considered, such as various possibilities and accompanying risks, and voice opinions to the management team. I am confident that steps to ensure and improve the transparency and fairness of decision-making at ITOCHU have led to even better management, as Outside Directors give management their frank opinions based on their specialized knowledge and diverse backgrounds, while management carefully listen to these opinions.

Succession plans for management are one of the most important issues for maintaining and improving the effectiveness of corporate governance at ITOCHU. During my tenure as the Chairman of the Nomination Committee for two years since FYE 2019, we periodically discussed succession plans, and had lively conversations about the "ideal" manager as he or she is pressured to make bold decisions, and policies for grooming successors. In FYE 2020, we worked on having more practical discussions by taking a more flexible approach to meetings, such as creating opportunities for only Outside Directors on the committee to have discussions.

