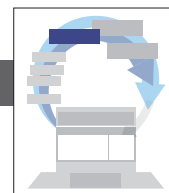




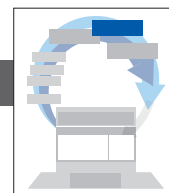
FYE 2020 Review (Achievement of Short-Term Targets)

- Built a unique value chain starting with raw materials with our partner companies and expanded initiatives with the world's leading retailers
- Launched the "RENU" project to expand the global development of sustainable materials
- Invested in a crowdfunding company and one operating a members only online boutique in a move to promote the creation of omni-channels in the brand business
- Invested in a company that operates a B2B online order platform and one that possesses AI measurement technologies
- Strengthened our ability to propose total solutions including systems in the RFID business, and increased the number of customers both within and outside the textile sector



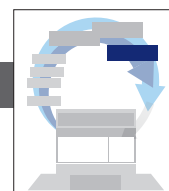
Steppingstones to Medium- to Long-Term Value Creation

- Promote trade in which we take the initiative by utilizing new technologies, developing environmentally friendly materials, etc.
- Strengthen e-commerce and grow new sales channels in our brand and retail-related businesses
- Supporting DESCENTE to expand its overseas business, increasing overseas earnings through enhanced initiatives with leading companies in China and other parts of Asia



Initiatives Supporting Sustainable Growth

- Add value and promote sustainable industrialization by creating IT infrastructures for production
- Using RFID, AI, and other technologies to enhance the efficiency of production, sales, and logistics operations
- Promote establishment of a safe and reliable product supply system



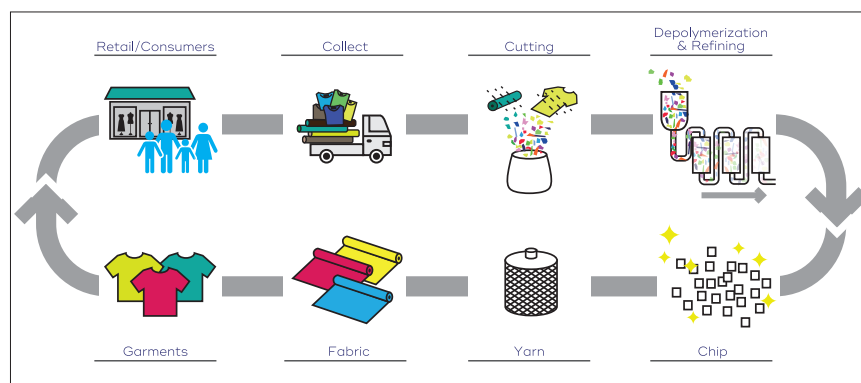
➡ Please refer to "Significant Risks to Be Managed on a Consolidated Basis" in the Risk Management section on Page 47.

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

Launching the "RENU" Project to Address the Issue of Excessive Waste in Clothing

The Textile Company is promoting the creation of a value chain starting with raw materials in which we take initiatives. To further enhance this strategy, in FYE 2020 we launched the "RENU" project. Through this project, we aim to address the issue of excessive waste in the textile industry and realize a circular economy.

In March 2020, HUNTING WORLD, a U.S. luxury brand, launched a tote bag in its Borneo Charity Collection made from "RENU," recycled polyester materials sourced from old garments and textile. In this way, we are promoting collaboration among various brands and retailers in Japan and overseas.



The "RENU" project for recycling old garments and textile into newly born products.



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/>

