

## CEO Message

tirelessly focus on business from the “customer’s perspective.”

The pandemic presents a similar obligation. People across Japan are striving to avoid risks, and yet we have customers navigating hazards to fulfill their duty to deliver daily essentials to people. Many of our partners in the ITOCHU Group are working hard on the front lines in retail and other areas. I have even heard stories of partners who have practiced smiling while wearing a mask in front of the mirror to ensure that customers will be able to tell they are smiling. We compete by providing finely tuned services. I did not feel that we could live up to our “vision” as a merchant if only ITOCHU employees were working from home. To be clear, the “workstyle reforms” we are carrying out are not simply for the “pursuit of efficiency.”

We do, however, fully reward our employees’ best efforts. The aforementioned flower display provides an example. The thought behind this was that flowers can instantly brighten people’s day, providing inspiration without any words. We also prepared various provisions and provided every employee with special benefits so they could get a quick start when the state of emergency was lifted. Temporary staff, dispatched personnel, and employees of subsidiaries that complement functions of ITOCHU received the benefits as well. We also provided a modest bonus with a message to security guards and cleaners.

Supported by many people, ITOCHU is, I believe, a merchant with the ability to perceive various viewpoints and create shared value for all sides. This was precisely the business ideal our founder pursued more than 160 years ago.

## Our Unwavering Ideal — “Sampo-yoshi”

I was approached by a person rather advanced in years at a meeting I attended last year. He thanked me because the ITOCHU shares he purchased have increased in value eight-fold while dividends have risen significantly. As a manager,



A red carpet and cherry blossoms in full bloom welcome new hires.

this was music to my ears and, simultaneously, a moment that heightened my awareness of the importance of fulfilling my fiduciary responsibilities related to share price and shareholder returns.

Amid recent concerns of rapid economic deterioration, some people are saying companies should prioritize financial soundness, employment, and social contribution while scaling down shareholder returns. However, I intend to continue focusing on steadily raising dividends every year regardless of the situation.

We have numerous priorities to pursue. We could focus on specific stakeholders, economic or social value, or short-term results or steppingstones for medium- to long-term growth. The words of our founder, Chubei Itoh I, provide insight. The modern interpretation of “*Sampo-yoshi*” (good for the seller, good for the buyer, and good for society) is not to choose “a single expedient” based on the situation, but rather to unflaggingly pursue “all the priorities.” (➡ Page 26 Dialogue: “*Sampo-yoshi*” and ITOCHU)

Since ITOCHU’s founding in 1858, the spirit of “*Sampo-yoshi*” has steadily underpinned the Company. On the other hand, each time the head of the Company changed, the overarching goal that encompasses “*Sampo-yoshi*” has been expressed using different words, making it gradually harder to precisely understand what we are aiming for and how to achieve it. Therefore, in April 2020, we went back to basics, making the Group corporate mission the simplest and clearest expression: “*Sampo-yoshi*.” At the same time, we reestablished “I am One with Infinite Missions” as our corporate Guideline of Conduct to realize “*Sampo-yoshi*.”

We give to society “what is required to the right person and in the right manner.” We do this by, for example, delivering safe and secure products from Japan to consumers in China, or by helping improve the lives of Indonesia’s citizens through geothermal power. “Enriching lives” through business in this way is how we provide social value based on “*Sampo-yoshi*.” In doing so, we earn profit in proportion to the value we add. This mindset aligns with the Sustainable Development Goals (SDGs) and the concept of Creating Shared Value (CSV). I hope you can see how properly executing a profitable plan which leverages our strengths, like the storage battery business we are currently engaging in, is one of our “Infinite Missions.” (➡ Page 62 Initiatives and Systems Supporting Sustainable Growth)

## Merchants Are Diligent

I am a bit of a “worrier.” I have talked before about how cautious I am. I inevitably imagine the worst-case scenario, act to avoid it, and take one step forward only after reflecting on the history and actions leading up to that point and again ruminating on the situation. I am now reflecting on the history of ITOCHU.

After World War II, ITOCHU dove headfirst into expanding into non-textile businesses with the aim of diversifying