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CORPORATE REPORT 2025

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Corporate Report 2025 FY2024 (Fiscal year ended March 31, 2025)

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"Transform 2025 - Creation and Circulation"
"Catch the Market Phase 2"



Our Company Logo

The logo, the green on top represents the "freshness," "safety," and "health" that are essential for food, as well as the "soft side of the company," centered on human resources. The blue on the bottom represents "intelligence" and "smartness," as well as the "hard side of the company," including facilities and systems. The line in the middle represents "activeness," "sharpness," and "speediness" within the broad flow of "distribution."

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Management Vision

To become a "Good Company" that evolves to create value

Corporate Philosophy

Always grasp the changes and needs of the times in advance, and help consumers and society to develop a rich and healthy dietary life

Corporate Value

To be reliable, to always treat business partners with integrity and without arrogance, to value good faith, to follow the spirit of harmony, and to make unremitting efforts to develop business

[Website]

► Corporate Website
<https://www.itochu-shokuhin.com>



► IR Information
<https://www.itochu-shokuhin.com/ir/>



[Scope of the Report]

This report covers ITOCHU-SHOKUHIN, but some items also report on activities of the entire ITOCHU-SHOKUHIN Group.

[Reporting Period]

FY2024 (April 1, 2024 - March 31, 2025). However, parts of the report also include information on previous events, activities in FY2025, and future planned activities.

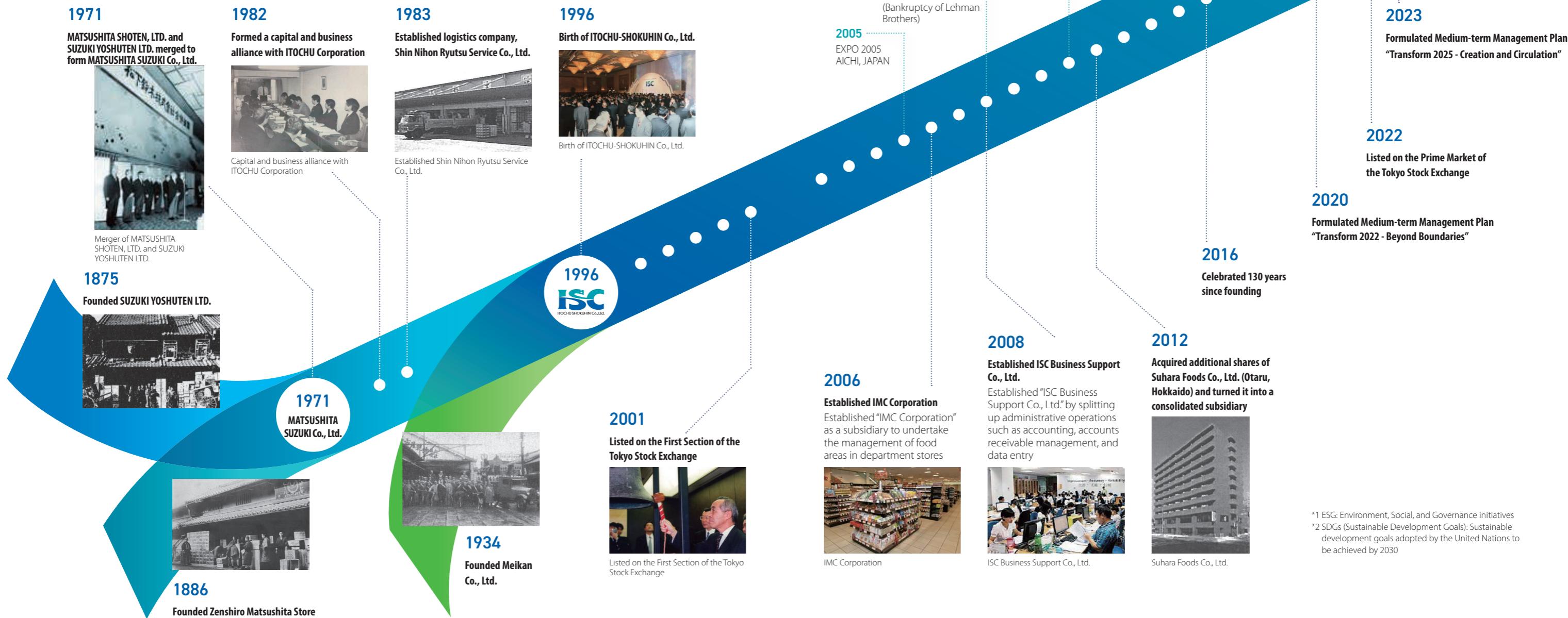
[Publication Date]

September 2025



History of ITOCHU-SHOKUHIN

In addition to further refining the wholesale functions cultivated over the past 130 years, we have proactively promoted initiatives that anticipate the changes and needs of the age. In recent years, we have also been carrying out sustainability activities through our core business to resolve social issues and accelerating initiatives to address climate change and ESG*¹, thereby deepening our efforts to contribute to the achievement of the SDGs*².



1870s-1970s

Merger of MATSUSHITA SHOTEN, LTD. and SUZUKI YOSHUTEN LTD.
In 1971, MATSUSHITA SHOTEN, LTD. in the west and SUZUKI YOSHUTEN LTD. in the east merged to form MATSUSHITA SUZUKI Co., Ltd. By this merger to become a national wholesaler, MATSUSHITA SHOTEN, LTD. and SUZUKI YOSHUTEN LTD. were able to leverage each other's strengths and traditions in their businesses to provide an even wider range of products to customers across the country.

1970s-1990s

Becoming a nationwide wholesaler to respond to rapid growth in the retail business
MATSUSHITA SUZUKI Co., Ltd. established a sales base as a liquor and food wholesaler by signing special distribution contracts with numerous manufacturers. However, the President at the time, Zenshiro Matsushita, believed that a time would come when functions are necessary. In order to survive, the company entered into a capital and business alliance with ITOCHU Corporation in 1982 to strengthen its sales and management functions.

1990s-2010s

Expanding business areas to meet diversifying needs
With the approach of the 21st century, diversifying and expanding distribution functions were becoming the key to survival in the industry. With the aim of establishing a solid distribution base, MATSUSHITA SUZUKI and Meikan, both of which were part of the ITOCHU Group, merged to form ITOCHU-SHOKUHIN Co., Ltd. on October 1, 1996. With the aim of becoming a true leading company that can contribute to society, ITOCHU-SHOKUHIN was listed on the First Section of the Tokyo Stock Exchange in 2001.

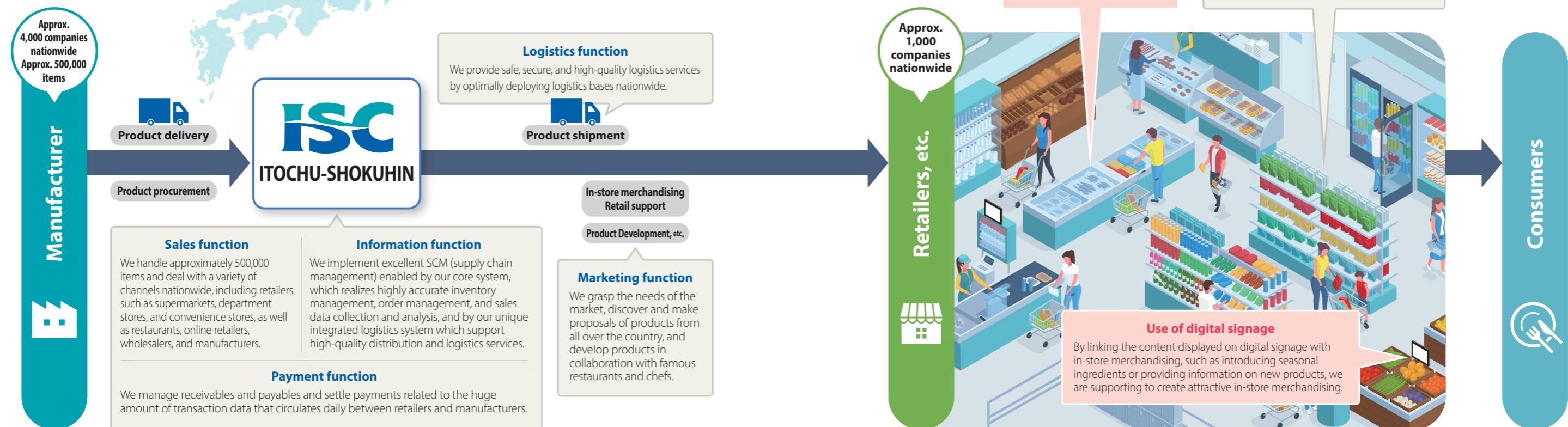
2010s-2020s

Further improving our value as a listed company and contributing to the resolution of social issues
In 2012, we strengthened our sales base in the Hokkaido area by acquiring Suhara Foods, a company that distributes Hokkaido's unique products nationwide. We celebrated our 130th anniversary in 2016, and have been contributing to consumers and society more than ever by adapting to changes in the social environment as well as consumers' values. Based on our corporate philosophy of "developing a rich and healthy dietary life," we will continue to contribute to the realization of a sustainable society through our business activities going forward.

Business Model

Providing a Stable Supply of Products Nationwide through our Food Wholesale Business

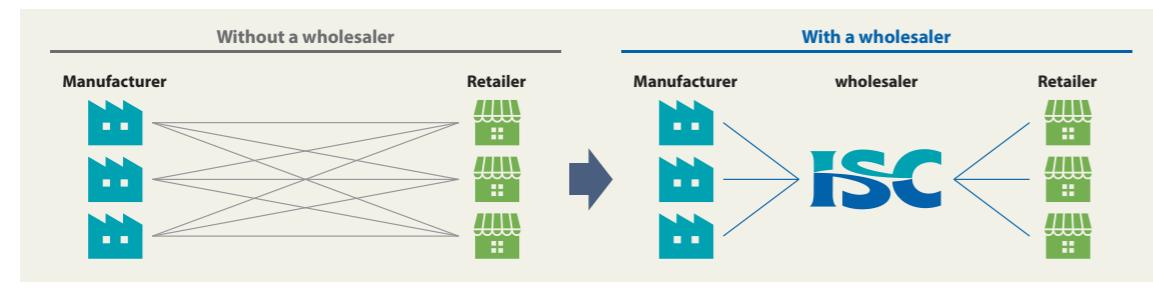
Since its founding in 1886, ITOCHU-SHOKUHIN has been a liquor and food wholesaler which purchases products from approximately 4,000 manufacturers nationwide and delivers about 500,000 items to about 1,000 retailers across the country. We have been developing its main business activities, which include storage and transportation of products, provision of information on various products, and merchandising related to product distribution. By making full use of these functions, we are able to ensure a stable supply of products and streamline the entire distribution process, allowing us to serve as a lifeline that supports a rich dietary life.



Role of wholesalers

By acting as an intermediate distributor between manufacturers and retailers, we make it possible to consolidate and distribute a huge number of products at once. This reduces the operational burden of transportation and storage on both parties with increased efficiency. Through our daily business activities as an intermediate distributor, we contribute to the efficiency of the supply chain* and strive to ensure a stable supply of safe and secure food.

*The series of processes from manufacturing of products to their delivery to consumers



Organization Chart of Sales & Marketing Group

In April 2025, we made some changes in our organization to further enhance the management and sales capability, in order to accomplish the Medium-term Management Plan "Transform 2025." This change in organization is not only for the internal efficiency, but also for building a foundation for sustainable growth by responding to the external environment which is rapidly changing. Specifically, we have increased the number of sales division to 6, from 4. This is aimed to enhance our sales capabilities, enabling our sales organization to respond to the customers' needs in more flexible and tailored way.



Our Key Initiatives

Information

Creating Customer Experiences and Attractive In-store Merchandising through Digital Signage

▶ See here for details (available only in Japanese) <https://www.itochu-shokuhin.com/business/retailsupport.html>



As part of our retail support, we have introduced digital signages in over 100 chain stores across Japan, totaling more than 10,000 units. The units are installed in a variety of locations, mainly in fresh produce areas, but also in front of cash registers and at store entrances. Digital signage installed in sales areas displays recipe videos, product advertisements, sale information, etc., and supports the creation of attractive in-store merchandising by displaying target products besides the signage.

Furthermore, we run various campaigns that people can apply for by scanning a QR Code* displayed on digital signage. The number of applications for these campaigns and the number of purchases of target products are steadily increasing. We will continue to support the creation of attractive in-store merchandising that leads to rich customer experiences and the implementation of sales promotions that gain consumers' support.

*QR Code is a registered trademark of DENSO WAVE INCORPORATED.



An example of a campaign using a QR Code*

Product Development

Expanding Products to Meet a Wide Range of Diversifying Consumer Needs

▶ See here for details (available only in Japanese) <https://www.itochu-shokuhin.com/business/brand.html>



● Development of High-quality Frozen Foods

We develop and sell "Tomin Fruit," which is made by quickly freezing domestic fruits when they are in season to keep their freshness. In addition, our "Tomin Frozen Sake" has been well-received. This unique unpasteurized sake, freshly squeezed and bottled, captures the exquisite taste previously available only at the brewery, now preserved through rapid freezing.



● Collaborative Products Supervised by Famous Brands and Restaurants

We work with brand owners to develop frozen ready-made meals and sweets that meet the needs of value-conscious consumers. We are also developing small, single-serving frozen cakes, Christmas cakes, New Year's dishes, and other seasonal products.



● Health-conscious Private Brand "Karada Switch"

In order to provide wellness to consumers through food and respond to diversifying lifestyles, market needs and seeds, we offer products that incorporate themselves into consumers' everyday lives through manufacturing in various product categories, such as supplements, powdered drinks, and green juice.



Logistics

Resolving Social Issues through Work Style Reforms at Logistics Sites and Improved Transportation Efficiency

▶ See here for details (available only in Japanese) <https://www.itochu-shokuhin.com/business/logistics.html>



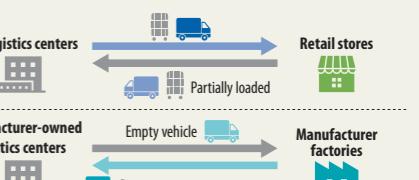
We operate dedicated logistics centers for the specific retailers, as well as logistics centers from which we deliver to multiple customers. As a solution to logistics issues, we have been proactively working from an early stage to reduce truck waiting time at the logistics center, and improve the truck loading rate, cooperating with manufacturers, wholesalers, and retailers.

For example, we transport products from manufacturer factories to manufacturer bases by utilizing the reverse logistics of trucks after they make deliveries from our logistics centers to retail stores. By effectively utilizing empty vehicles, we are working to address the driver shortage and improve transportation efficiency.

Vehicle Sharing (example)

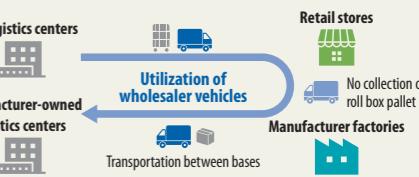
Before

Both manufacturers and wholesalers arrange vehicles using their own delivery networks, and there are certain sections on both sides where vehicles are empty or only partially loaded.



After

By utilizing vehicles provided by both manufacturers and wholesalers, it becomes possible to reduce the number of vehicles required and improve the actual driving distance per truck.



Product Discovery

"Furusato Shokumusubi" - Promoting Local Products from Various Regions of Japan to All Over the Country

▶ See here for details (available only in Japanese) <https://www.itochu-shokuhin.com/sustainability/local.html>



We are working to revitalize regional industries by selling safe, secure, and delicious local products from various regions of Japan to all over the country. We are discovering and developing products based on the concept of "rediscovering and re-recognizing the goodness of Japan," taking into account the food cultures rooted in the various regions of Japan, each with their own unique sense of "hometowns." We are aiming to be the number one wholesaler of regional products in order to further convey the charm of "hometowns" through food.



Hokkaido Products (Suhara Foods)

▶ See here for details (available only in Japanese) <https://suharafoods.com/>



In 2012, we turned Suhara Foods, a Hokkaido-based general liquor and food wholesaler, into a consolidated subsidiary in order to strengthen our sales base in the Hokkaido area. We strive to create and promote the "Hokkaido brand" by discovering attractive products made from Hokkaido's fresh ingredients and by developing original products. Suhara Foods is an important presence that plays a role in strengthening the Group's product procurement capabilities, and will continue to deliver "Hokkaido's carefully selected finest flavors" to consumers across the country.



Our Key Initiatives

Gifts

▶ See here for details (available only in Japanese) <https://www.itochu-shokuhin.com/business/gift.html>



To provide total solutions in the gift category, in addition to handling national brand gifts, we also plan and produce original gift sets and catalogs, by utilizing our infrastructure specialized for gifts.

Not only the traditional mid-year and year-end gift market, but we also focus on growing markets, such as personal gifts and corporate sales promotions. Digital code gifts* that can be sent and received online are available for a wide variety of products across a wide range of prices. In addition to being used for personal gifts for birthdays and anniversaries, they are also increasingly being used in business settings for giveaways and employee benefits. We will continue to leverage the digital gift function to develop both food and non-food related products that meet the diverse needs of consumers.



*A digital code gift is a type of gift that allows users to choose and apply for their desired products by accessing a product exchange website from their computer, smartphone, etc.

Liquor

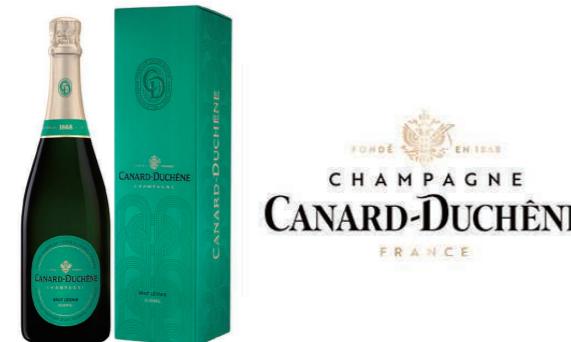
▶ See here for details (available only in Japanese) <https://www.itochu-shokuhin.com/business/liquor.html>



● Canard-Duchêne

We import France's national champagne, Canard-Duchêne.

We have begun importing Canard-Duchêne, which is well-known in France and sold in approximately 50 countries around the world, and will offer it mainly at department stores and mass retailers. We will also work to increase awareness of the brand, aiming to create new value for liquor.



● Ki One Whisky Distillery

We handle "Ki One" whiskey and "Jung One" gin, both produced by Ki One Whisky Distillery, Korea's first single malt whiskey distillery.

We will offer these beverages primarily in department stores and mass retailers, aiming to increase brand awareness and create new value for liquor.



FY2024 Financial Summary

In the food distribution industry, rising product prices brought about by rising raw materials, labor and logistics costs, etc. have led to consumers becoming more frugal as a way to protect their livelihoods. This has resulted in even more apparent polarization of consumption between low-priced or private label products and value-added products that satisfy consumer needs.

Under these circumstances, the Group set the sub-theme for FY2024, the second year of the Medium-term Management Plan "Transform 2025 - Creation and Circulation," as "Catch the Market," and focused on expanding its business by responding appropriately to changes in the market.

Net sales in FY2024 increased mainly due to an expansion of transactions with supermarkets and drugstores, increased demand for restaurant and food services caused by inbound demand, and growth in beverages including RTDs.

In terms of profits, operating profit increased due to increased net sales and cost reductions achieved through thorough lean management, and we saw the extraordinary gain in equity method investment gain. As a result, profit attributable to owners of parent increased to 8.2 billion yen, which is 24.3% increase compared to FY2023, marking the sixth consecutive year of increased profits.

● FY2024 Financial Summary (P&L Highlights)

(Unit: billions of yen)

	FY2023 Results	FY2024 Forecast	FY2024 Results	Change (YoY)	Change (vs Forecast)
Net sales	672.5	700.0	699.4	+26.9	(0.6)
Operating profit	7.7	8.5	8.5	+0.8	+0.0
Operating profit margin	1.14%	1.21%	1.22%	+0.08 pt	+0.01 pt
Ordinary profit	9.2	11.2	11.3	+2.1	+0.1
Ordinary profit margin	1.37%	1.60%	1.61%	+0.24 pt	+0.01 pt
Profit attributable to owners of parent	6.6	8.2	8.2	+1.6	+0.0

In addition, based on our Medium-term Management Plan "Transform 2025 - Creation and Circulation," which began in FY2023, we focused on the three areas; "Information," "Product Development," and "Logistics."

● Progress of "Transform 2025 - Creation and Circulation"

1	Information	New customer experiences generated from linkage between manufacturers, wholesalers, retailers, and consumers
		<ul style="list-style-type: none"> Increasing the number of signage installations and diversifying installation locations Implementing sales promotion proposals that the diverse contents are linked with in-store merchandising
2	Product Development	Expanding products to meet a wide range of consumer needs
		<ul style="list-style-type: none"> Expanding lineups of Tomin Fruit and Tomin Frozen Sake Selling small cakes supervised by brands to meet market needs
3	Logistics	Solving social issues while also making economic contributions
		<ul style="list-style-type: none"> Implementing efficient measures across the supply chain with manufacturers, wholesalers, and retailers

Message from the President

Transforming our Ability to Grasp Market Changes into Enhanced Competitiveness



Hitoshi Okamoto

ITOCHU-SHOKUHIN Co., Ltd.
Representative Director and President &
CEO, Chief Corporate Officer

Business Environment and Performance in FY2024

In FY2024, despite the demand caused by record-breaking heatwaves and natural disasters, as well as increased inbound demand and rising nominal wages, the economy remained largely unchanged due to factors such as a decline in real wages caused by rising prices.

In the food distribution industry, rising product prices due to unstable exchange rates and rising raw materials and logistics costs, including rising prices for fresh foods, have led to consumers becoming more frugal as a way to protect their livelihoods. On the other hand, there were also signs of a wealth effect, which was seen in the rising demand for high-value, high-priced products. This was driven by wage increases and dividend increases associated with improved corporate performance, as

well as rising stock prices. These factors resulted in even more apparent polarization of consumption between low-priced or private label products and value-added products that satisfy consumer needs.

Under these circumstances, our revenue increased mainly due to an expansion of transactions with supermarkets and drugstores, increased demand for restaurant and food services caused by inbound demand, and growth in beverages including RTDs. In terms of profits, gross profit increased, and cost reductions achieved through thorough lean management were successful, resulting in the sixth consecutive year of increased profits. This can be said to be the result of our appropriate action as an intermediate distributor of food products who has been working under a consumer-oriented sales strategy, alongside retailers and manufacturers, as well as our flexible response to the polarization of consumption.

Progress of Medium-term Management Plan "Transform 2025"

We have been working on our current Medium-term Management Plan "Transform 2025 - Creation and Circulation" since 2023, and for this fiscal year, which was the final year of the plan, the sub-theme was set as "Catch the Market Phase 2." We recognize that we are in a phase of transformation towards becoming a company that can harness its ability to grasp market changes and transform them into enhanced competitiveness. Through this, we will be able to remain calm even when faced with major turning points in this age of uncertainty. Based on our vision of "Creating and circulating shared value in the food sector - balancing social and economic value," we are implementing initiatives centered on our focus areas while also working to utilize data and digital technology in each area.

In our focus area of "information," we have strengthened our external broadcasting network, in order to broadcast advertisements on our partners' digital signage, in addition to our own digital signage, and have expanded the number of units to approximately 19,000. We will continue to work on enhancing content for campaigns using QR Codes and building a support system for retailers and manufacturers, utilizing our knowledge of food wholesale.

In the "product development" area, we are expanding our lineup of original frozen foods, "Tomin Frozen Sake" and "Tomin Fruit," while also steadily expanding our sales channels and areas. In addition, our frozen cakes supervised by famous brands and restaurants have been highly praised as products that contribute to enriching the frozen food section, and we continue to develop and propose products that meet the diverse needs of consumers.

In the "logistics" area, the entire food distribution industry is working to reduce truck waiting times and improve truck loading efficiency, while also using digital technology to improve warehouse productivity and promote even leaner management.

Towards Sustainable Corporate Growth

In addition to the initiatives mentioned above, we are also making steady progress in terms of non-financial indicators. We have raised our targets for reducing food loss and plastic waste by FY2030 ([see page 16](#)). Moreover, in the key area of human capital management, we implemented measures to support diverse work styles, which led to us receiving three stars in the Eruboshi Certification and being certified as a White 500 enterprise for the first time ([see page 18](#)).

In 2026, we will celebrate the 140th anniversary since our founding and the 30th anniversary since our merger and subsequent adoption of the Company name "ITOCHU-SHOKUHIN". Over our long history, we have honed our diverse wholesale functions, including merchandising and logistics, while fulfilling our role as a food wholesaler, and have responded flexibly to the changing needs of consumers and the challenges faced by business partners. In recent years, in addition to fulfilling our responsibility as essential workers in ensuring a stable and continuous supply of food, which is essential to daily life, we have also been working to create mechanisms that meet the diverse needs of consumers and provide them with new discoveries and surprises. We believe that these efforts will contribute to the realization of our corporate philosophy: "Always grasp the changes and needs of the times in advance, and help consumers and society to develop a rich and healthy dietary life."

As outlined in our Medium-term Management Plan "Transform 2025 - Creation and Circulation," we are pursuing initiatives that balance economic value and social value from all perspectives. We will continue to contribute to the realization of a sustainable society, providing value to all stakeholders, including our retail and manufacturer business partners, consumers, employees, and shareholders.

Medium-term Management Plan

“Transform 2025 - Creation and Circulation”

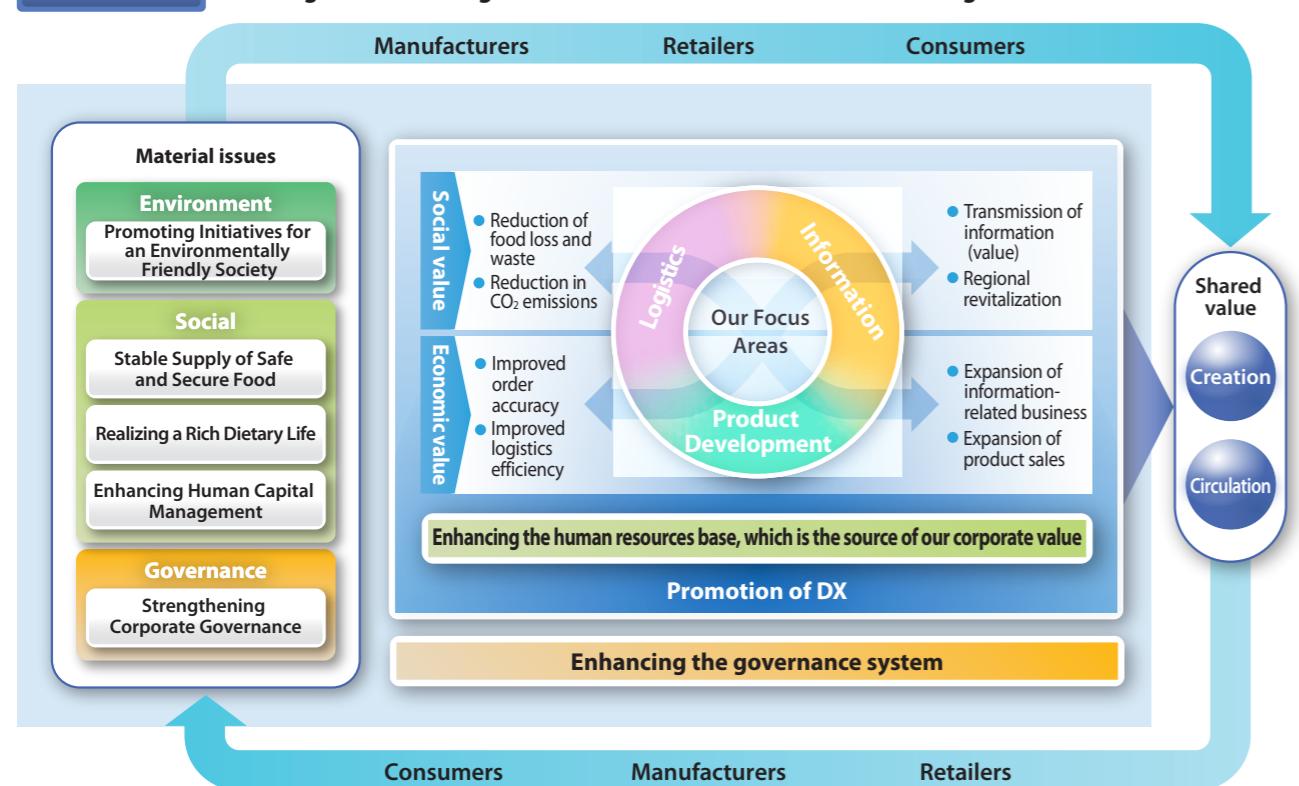
“Catch the Market Phase 2”

Transform 2025 (Period: FY2023-FY2025)

We uphold “creating and circulating shared value in the food sector - balancing social and economic value” as our vision and strive for sustainable growth through the creation and circulation of “shared value” within the supply chain. For the FY2025, the last year of the Medium-term Management, we have set “Catch the Market Phase 2” as our sub-theme, in order to achieve our goal “Creation and Circulation.” We will further elaborate our ability to anticipate the market needs and turn this into our competitiveness to create a solid foundation for the future.

Vision

Creating and Circulating Shared Value in the Food Sector - Balancing Social and Economic Value



Evolution of Focus Areas and Enhancement of Human Capital



FY2025 Quantitative Plan

For FY2025, the last year of the Medium-term Management Plan, we are targeting net sales of 720.0 billion yen, operating profit of 9.7 billion yen, ordinary profit of 11.4 billion yen, and profit attributable to owners of parent of 8.3 billion yen. Going forward, the Japanese economy is expected to be affected by a variety of uncertain factors, including international situations and financial trends. Moreover, food distribution industry is currently facing intensifying competition or restructuring among retailers regardless of their format. On the other hand consumers' value is expected to be diversified, due to the rising prices and the weak consumer spending. Therefore, we recognize that it is necessary for us to further evolve from our traditional business model to a more consumer-oriented business model.

Under these circumstances, in FY2025, we have set a sub-theme of “Catch the Market Phase 2” in order to realize the vision set out in our Medium-term Management Plan “Transform 2025 - Creation and Circulation,” which is “creating and circulating shared value in the food sector - balancing social and economic value.” It is not a sequel from the last year, but it is the last phase when we build an enhanced platform by further elaborating “Market-in” point of view and transforming into the competitiveness.

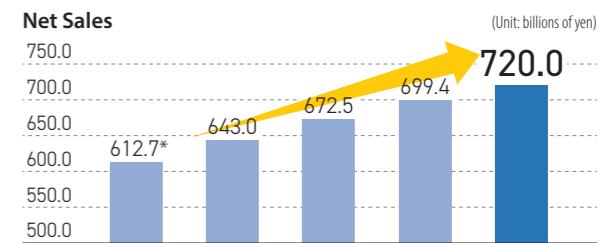
In FY2025, we will further deepen our “Catch the Market” spirit and sustainably improve our corporate value in order to accomplish our goal.

● Third Year Forecast for Medium-term Management Plan “Transform 2025” (Unit: billions of yen)

	FY2024 Results	FY2025 Plan	Change (YoY)	YoY Comparison
Net sales	699.4	720.0	+ 20.6	+ 2.9%
Operating profit	8.5	9.7	+ 1.2	+ 14.0%
Operating profit margin	1.22%	1.35%	+ 0.13pt	—
Ordinary profit	11.3	11.4	+ 0.1	+ 1.0%
Ordinary profit margin	1.61%	1.58%	(0.03)pt	—
Profit attributable to owners of parent	8.2	8.3*	+ 0.1	+ 1.2%

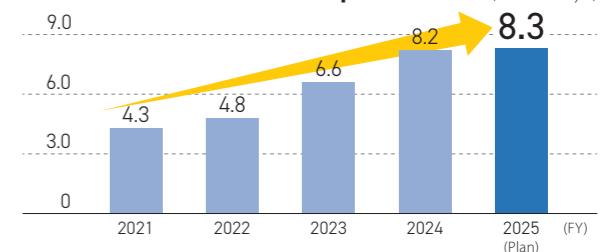
*Including a loss buffer : (0.5)

● Performance Trends



*The Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan Statement No. 29, March 31, 2020): applied since the beginning of FY2021.

● Profit attributable to owners of parent (Unit: billions of yen)



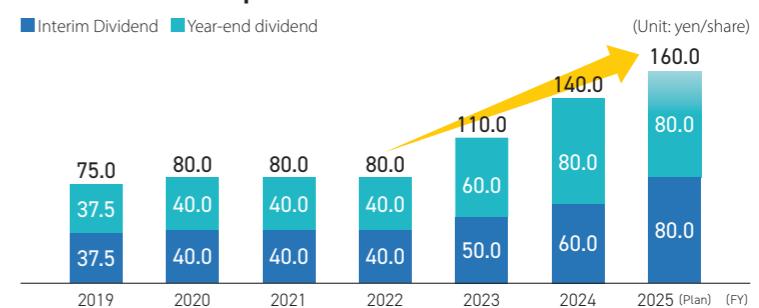
FY2025 Dividend Plan

To date, we have paid stable and continuous dividends with a view to improving the level of shareholder returns, and since our listing in 2001, we have never reduced dividends. In addition, we have decided to make progressive dividend payments, increasing dividends aligning with profit growth, during the period of the current Medium-term Management Plan.

Taking the expansion of core profitability into account, the dividend for FY2024 was set at 140 yen, an increase of 30 yen compared to FY2023. In FY2025, with further expansion of core profitability, we plan to set an annual dividend of 160 yen, which is double the amount of dividends in FY2022.

Dividend payout ratio has also been increasing by steady increase in dividend, expected to result in 24.5% this year. Going forward, we will strive to steadily increase the profit, and stably enhance shareholder returns.

● Trends in Dividends per Share



Approach to and Initiatives for Sustainability

Message from Officer in Charge of Sustainability

We aim to balance social and economic value and achieve sustainable growth by "developing a rich and healthy dietary life."

We have established a Basic Sustainability Policy based on our corporate philosophy of "developing a rich and healthy dietary life," and we are working alongside our stakeholders to realize a sustainable society.

Since FY2020, we have been disclosing and working on material issues that cover each area of ESG, but in FY2023, we disclosed a review of our material issues considering societal demands and changes in our circumstances. Moreover, in FY2022, we disclosed long-term sustainability-related targets for FY2030.

Going forward, we will continue to respond to the expectations and demands of society, and by having all employees practice the idea of "developing a rich and healthy dietary life," we will work to resolve material issues and achieve long-term targets, aiming for sustainable growth.

Officer in Charge of Sustainability



Basic Sustainability Policy

▶ See here for details (available only in Japanese)
<https://www.itochu-shokuhin.com/sustainability/theme.html>

Based on its corporate philosophy of "always grasping the changes and needs of the times in advance, and helping consumers and society to develop a rich and healthy dietary life," the ITOCHU-SHOKUHIN Group will work to resolve social issues through its business activities and contribute to the realization of a sustainable society.

Our Approach and Response to Climate Change

▶ See here for details (available only in Japanese)
<https://www.itochu-shokuhin.com/sustainability/tcfd.html>

We recognize that environmental, social and governance issues, including climate change, are important management issues that affect the sustainable growth of our business activities. Since 2022, we have been disclosing information on "governance," "strategy," "risk management," and "metrics and targets" based on the TCFD* framework. Going forward, we will strive to maintain the food supply chain and respond to risks and opportunities in line with our long-term sustainability-related targets for FY2030 in order to contribute to creating rich dietary lives for people.

*TCFD: Task Force on Climate-related Financial Disclosures



Sustainability Promotion Structure

▶ See here for details on the identification process (available only in Japanese)
<https://www.itochu-shokuhin.com/sustainability/process.html>

The promotion of sustainability throughout the entire company is overseen by the Sustainability Committee, which is chaired by the officer in charge of sustainability. In addition, two subcommittees, the Business Continuity Management (BCM) Subcommittee and the Environmental Subcommittee, have been established under the Sustainability Committee, and are working to consider and promote company-wide measures in line with their respective themes.



The Sustainability Committee identifies material issues and manages the status of initiatives, in addition to discussing policies, targets, and measures related to various sustainability issues. Important policies, measures, and progress are approved by and reported to the Board of Directors.



ITOCHU-SHOKUHIN's Material Issues

In order to balance economic value and social value, as outlined in our Medium-term Management Plan "Transform 2025 - Creation and Circulation," we have specified and disclosed 5 Materialities that shall be addressed with priority, and have been taking various initiatives on those Materialities.

Material Issues		Themes
E Environment	Promoting Initiatives for an Environmentally Friendly Society	<ul style="list-style-type: none"> Reducing greenhouse gas emissions Reducing food loss Reducing plastic waste and promoting recycling
S Social	Stable Supply of Safe and Secure Food	<ul style="list-style-type: none"> Stable supply of products Thorough quality assurance
	Realizing a Rich Dietary Life	<ul style="list-style-type: none"> Providing information to enrich dietary lives Food education for students and regional revitalization through food
	Enhancing Human Capital Management	<ul style="list-style-type: none"> Developing self-reliant human resources for sustainable growth Creating a rewarding work environment
G Governance	Strengthening Corporate Governance	<ul style="list-style-type: none"> Enhancing the corporate governance system

See page 19

See page 21

See page 22

See page 23

See page 25

Non-financial Targets

We have set non-financial targets linked to our material issues that should be resolved with priority, and we aim to resolve social issues through our business activities, which we shall lead to economic value. Going forward, we will continue to promote effective measures to achieve each of our targets.

Themes/Measures	Indicators*1	Non-financial Targets	Status in FY2024
E Environment	● Reducing greenhouse gas emissions	CO₂ emissions reduction rate (Compared to FY2018, Scope 1 and 2)*2	40% reduction by FY2030 23.5% reduction Compared to FY2018
	● Reducing food loss*3	Food loss reduction rate (Compared to FY2018)	60% reduction by FY2030 52.0% reduction Compared to FY2018
	● Reducing plastic waste ● Promoting plastic waste recycling	1) Plastic waste reduction rate*4 (Compared to FY2021) 2) Effective utilization rate*5	1) 70% reduction By FY2030 1) 59.2% reduction 2) 95% 2) 93.3%
	● Providing reliable logistics services	1) Rate of truck waiting time over 30 minutes 2) Store delivery loading rate	1) 5% or less 2) Improvements every year 1) 8.9% 2) 85.8%
S Social	● Promoting diversity, equity, and inclusion	Percentage of female managers*6	25% by FY2030 16.1%
	● Developing self-reliant human resources (Improving employee performance)	Labor productivity (Added value ÷ number of employees)	Improvements every year 20 million yen/person
	● Improving employee health	Selected as a Certified Health & Productivity Management Outstanding Organization	Continue to receive certification Certified as "White 500" 2025 Certified Health & Productivity Management Outstanding Organization
	● Creating a rewarding work environment	1) Employee engagement score 2) Percentage of men taking childcare leave	1) Improvements every year 2) 85% by FY2030 1) 65.4% 2) 60.0%

*1 Within the items "Environment" and "Social," "Developing self-reliant human resources" is an indicator and target for ITOCHU-SHOKUHIN Group. All other items are indicators and targets for ITOCHU-SHOKUHIN alone.

*2 Scope 1: CO₂ emissions related to business activities (fuel used by the Company), Scope 2: CO₂ emissions related to business activities (electricity used by the Company)

*3 The target for reducing food loss was revised in FY2024 as we already achieved the initial target prior to FY2030. (50% reduction vs FY2018 to 60% reduction vs FY2018)

*4 The target for reducing plastic waste was revised in FY2024 as we already achieved the initial target prior to FY2030. (40% reduction vs FY2021 to 70% reduction vs FY2021)

*5 Effective utilization rate: The percentage of total plastic waste that was effectively utilized through material recycling, chemical recycle, and thermal recycling.

*6 The figures for percentage of female managers are as of April 1, 2025

Initiatives for the Realization of a Sustainable Society

In order to realize sustainable improvement in corporate value, we are promoting initiatives to achieve our FY2030 targets for material issues that should be resolved with priority.

Scope 3

In order to realize a sustainable supply chain as a food distribution business operator, we measure and disclose CO₂ emissions related to our business activities (Scope 1 and 2)^{*1} as well as CO₂ emissions throughout the supply chain (Scope 3)^{*2}.

*1 Scope 1: CO₂ emissions related to business activities (fuel used by the Company),
Scope 2: CO₂ emissions related to business activities (electricity used by the Company)

*2 Scope 3: CO₂ emissions throughout the supply chain

▶ See here for details (available only in Japanese)
<https://www.itochu-shokuhin.com/sustainability/tcfcd.html>



Scope 1	1,000 t-CO ₂
Scope 2	7,000 t-CO ₂
Scope 3	2,887,000 t-CO ₂

Major breakdown of Scope 3

87%
①Purchased products and services
8%
④Transportation and distribution (upstream)
4%
②Disposal of sold products
1%
Other

We will strive to reduce CO₂ emissions throughout the supply chain by engaging in dialogue with companies in the supply chain, improving logistics efficiency, and reducing food loss.

[Measurement details for Scope 3 emissions]
Target year FY2024 results
Measurement range ITOCHU-SHOKUHIN (consolidated)
Scope Category No. 1, 2, 3, 4, 5, 6, 7, 9, 12, 13, 14

Solving Logistics Issues

We are working with the entire food distribution industry to solve issues such as improving truck loading efficiency and reducing the workload of drivers. In addition, we are promoting initiatives aimed at improving efficiency throughout the supply chain, such as by utilizing digital technology to promote the data collection and analysis of warehouse operations.

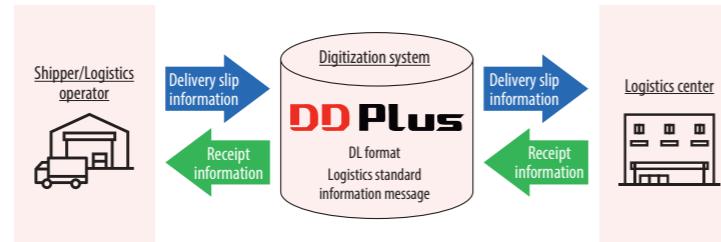
In FY2024, we conducted a demonstration experiment at our Higashi-Ogishima Logistics Center, using Japan Pallet Rental Corporation's delivery slip digitization system "DD Plus," to digitize delivery slips that currently use paper when delivering products from manufacturers to wholesale and retail centers. As a result, we were able to confirm improved work efficiency and cost reductions, including a reduction in various related tasks, a decrease in the number of printed sheets of paper, and a reduction in document storage and disposal costs.

Going forward, we aim to achieve industry standardization and further deepen our initiatives, such as inspection-free operations, to address the "2024 logistics problem."

Results achieved from digitizing delivery slips

1. Reduction in issuance work and printing volume of paper delivery slips by up to approximately 75%
2. Reduction in delivery data input work by up to approximately 50%
3. No need to issue receipts after inspecting delivered goods
4. Drivers can leave immediately after inspection
5. Reduction in storage space and disposal costs for receipts

Illustration of the trial operation of digitized delivery slips



Obtained the Highest Three-star Rating in the "Eruboshi Certification"

To achieve sustainable improvement in corporate value, it is important that all employees leverage their unique strengths and thrive.

Since establishing the Diversity Promotion Office in FY2020, we have been working to develop human resources and create an environment where individuals can fully demonstrate their diversity and creativity, such as by adopting various measures to train female managers and leaders and support the balance between work and childcare. As a result of these initiatives, we were certified in December 2024 by the Minister of Health, Labour and Welfare as a company with excellent initiatives for promoting women's participation in the workplace, and received the highest three-star rating in the "Eruboshi Certification."

Going forward, we will work to enhance our human capital management by promoting the diversity and creativity of individuals (diversity, equity, and inclusion) and developing self-reliant human resources.

▶ See here for details (available only in Japanese)
[https://www.itochu-shokuhin.com/cms/uploads/2024/12/リリース_えるぼし認定-最高位の3つ星を取得\(伊藤忠食品\)_241217.pdf](https://www.itochu-shokuhin.com/cms/uploads/2024/12/リリース_えるぼし認定-最高位の3つ星を取得(伊藤忠食品)_241217.pdf)



Certified as a "White 500" 2025 Certified Health & Productivity Management Outstanding Organization

On March 10, 2025, we were certified for the first time as a "White 500 Certified Health & Productivity Management Outstanding Organization" by being ranked within the top 500 companies chosen as "2025 Certified Health & Productivity Management Outstanding Organizations (Large Enterprise Category)," jointly awarded by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.



This certification was received in recognition of the Company's ongoing efforts to improve health issues, as well as its support for balancing work with childcare and/or elderly care. We believe that maintaining and improving the physical and mental health of all employees and fully utilizing their individual strengths will lead to the realization of our corporate philosophy of "developing a rich and healthy dietary life" and to the fulfillment of our responsibility as a lifeline for food. As a food-related company, we will continue to implement initiatives to maintain and improve the health of our employees.

▶ See here for details (available only in Japanese)
[https://www.itochu-shokuhin.com/cms/uploads/2025/03/リリース_健康経営優良法人2025\(大規模法人部門\)に認定\(伊藤忠食品\)_20250311.pdf](https://www.itochu-shokuhin.com/cms/uploads/2025/03/リリース_健康経営優良法人2025(大規模法人部門)に認定(伊藤忠食品)_20250311.pdf)

▶ See here for health management initiatives (available only in Japanese)
<https://www.itochu-shokuhin.com/company/health-manage-declaration.html>



Initiatives for Work Style Reforms: "Support for Working Caregivers" and "Support for Balancing Work and Childcare"

As part of our work style reforms, we are working on "support for working caregivers" and "support for balancing work and childcare." "Support for working caregivers" aims to create an environment to support and ease the anxieties of employees who are balancing work and elderly care so that they can stably demonstrate their abilities. As part of this effort, we established the "Elderly Care Community" as a place for employees with experience in elderly care and employees who want to learn elderly care in preparation for the future to interact with one another. We began this initiative through exchanges of information and sharing of experiences in this Community.

"Support for balancing work and childcare" aims to create an environment where employees can work with peace of mind while raising children. In addition to enhancing our systems, we have also begun providing support on the soft side by introducing a coaching program called "Parent Coaching" to improve the quality of communication with children. We are strengthening our support to ease concerns about childcare and help employees balance work and childcare in a positive way.

Going forward, we will expand our systems and support for promoting diverse work styles and continue to create a rewarding work environment.

Initiatives for an Environmentally Friendly Society

Our corporate philosophy "developing a rich and healthy dietary life" is premised on the realization of a sustainable society, thus the promotion of business that takes the environment into consideration is essential.

By proactively responding to climate change and making effective use of resources, we will contribute to the creation of a low-carbon, recycling-oriented society.

Themes	Targets	Measures
Reducing greenhouse gas emissions	CO ₂ emissions (Scope 1 and 2)*1 → 40% reduction by FY2030*2 PICK UP 1	<ul style="list-style-type: none"> Promoting energy saving in offices and logistics centers Considering the introduction of renewable energy
Reducing food loss	Amount of food loss 60% reduction by FY2030*2 PICK UP 2	<ol style="list-style-type: none"> [Don't create waste] Improving forecast accuracy and strengthening internal information sharing [Sell out] Actively partnering with companies working to reduce food loss [Distribute] Distributing to food banks, within the company, etc. [Recycle] Promoting recycling (as animal feed and fertilizer)
Reducing plastic waste and promoting recycling	Amount of plastic waste 70% reduction by FY2030*3 PICK UP 3 Effective utilization rate*4 95% by FY2030	<ul style="list-style-type: none"> Promoting the sale of plastic as valuable materials*5 and recycling

*1 Scope 1: CO₂ emissions related to business activities (fuel used by the Company), Scope 2: CO₂ emissions related to business activities (electricity used by the Company)

*2 Compared to FY2018 *3 Compared to FY2021

*4 Effective utilization rate: The percentage of total plastic waste that was effectively utilized through material recycling, chemical recycle, and thermal recycling.

*5 Selling items to businesses as "products of value" rather than disposing

Environmental Management

In 2012, we obtained ISO 14001, an international standard for environmental management systems, and have continued to maintain this certification. The Group aims to be an environmentally friendly company that contributes to creating a low-carbon, recycling-oriented society. Based on the basic philosophy and three action guidelines stipulated in the "ITOCHU-SHOKUHIN Environmental Policy," the Environmental Subcommittee meets three times a year to report and discuss on the progress of activities.

In 2022, we have included the reduction of greenhouse gas emissions as one of our long-term sustainability-related targets for FY2030, and we are working to resolve social issues and achieve sustainable growth.



▶ See here for details (available only in Japanese)
<https://www.itochu-shokuhin.com/sustainability/policy.html>

Specific responses to environmental issues (examples)

- Donation to Foodbank 83t (FY2024)
- Collected Eco-cap (Plastic bottle cap) 163,600 caps (FY2024)
 - We donate 163 Polio vaccines to developing countries through recycling of the eco-cap
- Reducing food loss
- Promoting the recycling of food loss (as fertilizer and animal feed)
- Introducing LEDs, peak shaving through demand management*, introducing solar power generation, etc.
- Reducing plastic waste and promoting recycling
- Reducing truck waiting time through the introduction of a reservation system
- Promoting joint shipping with manufacturers from which we procure products

*Average power consumption for 30 minutes

We will continue working to resolve social issues through our food distribution business.

PICK UP 1 Initiatives to Reduce Greenhouse Gas Emissions

By FY2030, we aim to reduce CO₂ emissions (Scope 1 and 2) by 40% compared to FY2018. We are taking measures to reduce greenhouse gas emissions, including energy saving measures such as switching to LED lighting and implementing demand management at some of our logistics centers, installing solar power generation systems and using electricity derived from sunlight, and switching to power companies with low CO₂ emissions.

We are also implementing initiatives such as switching company cars to hybrid vehicles. Moreover, we continue to raise awareness within the company through measures such as e-learning and the monthly disclosure of electricity usage at each location on the company's in-house portal site.

We also disclose not only Scope1 and Scope2, but also the greenhouse gas emissions throughout the supply chain (Scope3)*.

We will continue to install solar power generation systems and promote energy saving and efficiency in our offices and logistics centers in order to reduce greenhouse gas emissions.



*Scope3: CO₂ emissions throughout the supply chain
▶ See here for details on Scope3 (available only in Japanese)
<https://www.itochu-shokuhin.com/sustainability/tcfd.html>

CO₂ Emissions (Scope 1 and 2)

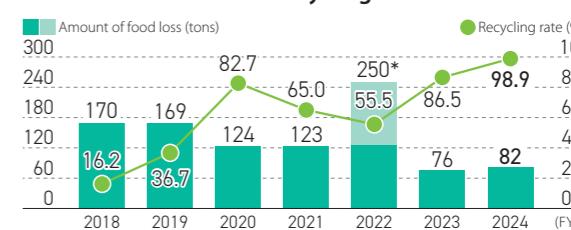


PICK UP 2 Initiatives to Reduce Food Loss and Improve Recycling Rates

In order to reduce food loss, the sales and administration groups are working together to promote measures such as reviewing internal rules. We signed the contracts between our locations where food loss is generated and the nearby food-banks, and promoted the donation of food loss. As a result of this, we achieved our FY2030 target of reducing food loss by 50% (compared to FY2018) for 2 consecutive years (FY2023 and FY2024). In FY2025, we revised the target from 50% reduction to 60% reduction, aiming for further reduction in food loss. We have also been actively promoting the recycling of industrial waste generated as food loss (through conversion into fertilizer, animal feed, etc.), and our recycling rate for FY2024 was 98.9%.

We will continue to work towards resolving issues in an environmentally friendly way.

Amount of Food Loss/Recycling Rate



Step1
"Don't generate food loss"

Step 2
"Sell out"

Step 3
"Distribute" (donate to food banks)

Step 4
"Recycle"

PICK UP 3 Initiatives to Reduce Plastic Waste and Recycle

We are taking initiatives to reduction of plastic waste and promotion of recycling. We are gradually signing contracts with companies that can collect valuable materials as resources rather than as waste.

After the plastics was collected as valuable material, they are recycled into trash bags which we use in our logistics centers. Having already achieved the FY2030 plastic reduction target of 40% compared to FY2021 in FY2024, we revised the target from 40% reduction to 70% reduction. By reducing plastic waste and promoting recycling, we will create both social and economic value.

Amount of Plastic Waste/Effective Utilization Rate



Stable Supply of Safe and Secure Food

As a company engaged in wholesale, which plays a central role in food distribution, it is our responsibility to steadily deliver safe and secure food to consumers. To fulfill this mission, it is essential that we guarantee product quality so that consumers can make purchases with confidence, reduce risks that could hinder a stable supply, such as disaster risks and cyber risks, and provide stable logistics services. Accordingly, we will work to build a stronger and more resilient system.

Themes	Targets	Measures
Stable supply of products	● Providing reliable logistics services	<ul style="list-style-type: none"> Improving the trucking business environment and increasing productivity Improving logistics efficiency through collaboration between manufacturers, wholesalers, and retailers
	<ul style="list-style-type: none"> Strengthen cybersecurity PICK UP 1 High resilience against disasters, pandemics, and cyber incidents 	<ul style="list-style-type: none"> Regularly reviewing BCM and BCP and improving their effectiveness Strengthening response capabilities and identifying/improving issues through regular training
Thorough quality assurance	● Preventing product incidents PICK UP 2	<ul style="list-style-type: none"> Conducting factory inspections and logistics center inspections Identifying the cause of product incidents, and implementing countermeasures Conducting regular employee training on quality assurance

PICK UP 1 Strengthen Cybersecurity

In response to the recent increase in cyber attack threats, we have strengthened our detection functions for targeted attack emails and continuously conducted a comprehensive inspection of vulnerabilities across our network, server environment, system backups, etc. We formulated a business continuity plan (BCP) to respond to cyber attacks in March 2024 and are working to strengthen our cybersecurity response, organizing a standardized manual in order to

continue our order management.

In addition, we conducted targeted attack email training for employees on multiple occasions, aiming to raise employee awareness of cyber attacks.



▶ See here for details (available only in Japanese)
<https://www.itochu-shokuhin.com/company/qualitymanage.html>

PICK UP 2 Preventing Product Incidents

With "thorough quality control" as a core theme, we are committed to ensuring product safety by establishing Food Quality Assurance Department. We regularly inspect the manufacturing contractors and suppliers, as well as checking the labeling of products. Employee training on quality assurance is conducted regularly to strengthen our quality assurance system and prevent product incidents. On the logistics perspective, we continuously improve the quality of our logistics by inspecting the functions of logistics centers, aiming to have zero incident of shipping out-of-date products. If a complaint related to a product incident arises, we determine who is

responsible and how serious the incident is, then take measures to prevent recurrence. If a product incident occurs, we promptly visit the site to understand the circumstances of the incident, identify the cause, and follow up with the formulation of appropriate measures to prevent recurrence. We also revisit the site at regular intervals to monitor and verify the implementation status of the preventive measures.

▶ See here for our quality control organization and its details (available only in Japanese)
<https://www.itochu-shokuhin.com/company/qualitymanage.html>

Manufacturing factories where on-site inspections were conducted
(FY2024)

167 locations

Suggested possible improvements to 129 locations

Regular implementation of employee training (examples)

- Conducting food labeling-related training for new employees
- Educational support for food labeling examination candidates in the Company and Group companies
- Informing employees of the latest information on amendments to food-related laws and regulations

Realizing a Rich Dietary Life

For ITOCHU-SHOKUHIN to achieve sustainable growth and increase its corporate value, it is essential that we provide economic and social value to our stakeholders and be needed by society.

Not only will we continue to steadily conduct existing businesses, but we will also create shared value through a variety of businesses that are unique to the Company.

Themes	Targets	Measures
Providing information to enrich dietary lives	<ul style="list-style-type: none"> Creating rich customer experiences by resolving consumer concerns about menu planning and providing opportunities for new discoveries 	<ul style="list-style-type: none"> Providing recipes and product information through digital signage and in-store merchandising
Food education and regional revitalization through food	<ul style="list-style-type: none"> Developing food-related human resources Discovering products that contribute to regional communities Realizing food upcycling using freezing technology 	<ul style="list-style-type: none"> Supporting food education at high schools PICK UP Strengthening cooperation with Hokkaido and Suhara Foods Collaborating with suppliers struggling with food loss

PICK UP Supporting Food Education at High Schools

As part of our sustainability activities that leverage our core business, we provide educational support to high schools engaged in food product development, with a purpose of regional revitalization through food, and revitalization of food industry through human resources development. We provide opportunities for high school students to promote products they have developed at exhibitions hosted by the Company, in which professional buyers participate. We also host All Japan High School Food Grand Prix*. Furthermore, we provide tours of our logistics center for students, and also provide opportunities to sell products that contribute to regional revitalization. The number of sponsoring companies for this competition is increasing year by year, and a variety of educational opportunities are provided such as special classes by sponsoring companies. Leveraging this initiative, we resumed recruiting high school graduates from FY2016.

Going beyond conventional CSR activities, we aim to further revitalize the entire food industry, by "utilizing regional resources," "preserving regional food cultures," and "education through learning opportunities we provide for high school students who will lead the future."

*Commercial High School Food Grand Prix first held in 2013, has changed its name to "High School Food Grand Prix." The scope of eligible participants has been expanded from "High Schools with Commercial Curricula" to "High Schools across the nation engaged in food product development."



▶ See here for the details (available only in Japanese)
<https://foodgrandprix.com/>



Total number of Entries
for Food Gran Prix
(FY2013-FY2024)

542 products

No. of high school
graduates recruitment
(FY2016-FY2025)

77 people



Competition held in FY2024



Enhancing Human Capital Management

We recognize that "human resources who can think flexibly, take on challenges without fear of failure, and grow independently in a workplace that is healthy and energetic both physically and mentally" are the driving force and main asset to maintaining sustainable growth while responding flexibly to a highly uncertain society. Based on this belief, we will work to enhance human capital management by utilizing the diversity and creativity of each individual (diversity, equity, and inclusion), developing self-reliant human resources, and creating a rewarding work environment.

Themes	Targets	Measures
Developing self-reliant human resources for sustainable growth PICK UP 1	<ul style="list-style-type: none"> Percentage of female managers of 25% by 2030 Improving employee performance 	<ul style="list-style-type: none"> Creating a work environment where women can thrive Implementing training to develop female managers Disseminating a new personnel system and raising wages for non-managerial positions Enhancing training (reskilling by level/theme, etc.) Expanding new graduate/career recruitment Introducing a job matching system to promote the active participation of senior human resources
Creating a rewarding work environment PICK UP 2	<ul style="list-style-type: none"> Improving employee health Promoting diverse work styles 	<ul style="list-style-type: none"> Enhancing support for employees' physical and mental health care, and improving the work environment Continuously chosen as a Certified Health & Productivity Management Outstanding Organization Promoting work-life balance Strengthening support for childcare and elderly care, and follow-ups for those who are sick or injured Newly establishing area-limited management track positions

Human Resources Strategy

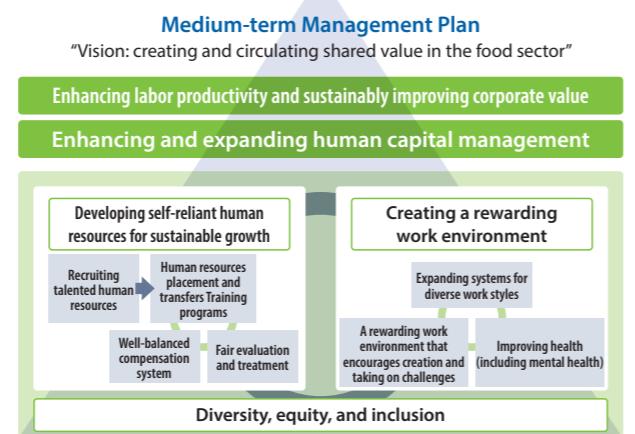
We recognize our human resources as our asset to function as the driving force to sustainably improve our corporate value, and the basic policy of our human resources strategy is to develop "human resources who can think flexibly, take on challenges without fear of failure, and grow independently in a workplace that is healthy and energetic both physically and mentally."

- (1) Utilizing the diversity and creativity of each individual (Diversity, equity, and inclusion)
- (2) Developing self-reliant human resources
- (3) Creating a rewarding work environment
Through these, we aim to enhance human capital management.

Specifically, we are working to further improve labor productivity by proactively investing in human resources, such as through the introduction of a well-balanced compensation system and the expansion of training programs, as well as by implementing measures to improve the work environment and enhance engagement, such as through the promotion of diverse and flexible work styles and improved health.

Moreover, we introduced an engagement survey in FY2022. The engagement survey is conducted once a year and it has enabled us to visualize the status of employee engagement and use the results to implement various measures.

Human Resources Strategy Basic Policy Diagram



PICK UP 1 Developing Self-reliant Human Resources for Sustainable Growth

We are organizing an environment and systems that accept the diversity of all employees and allow them to demonstrate their capabilities. Specifically, by significantly revamping our ranking system, evaluation system, and wage system in FY2022, we have built a well-balanced personnel system based on job responsibilities and performance. Moreover, we have set a non-financial target linked to material issues of "25% or more female managers by 2030," and we are implementing measures to further encourage the active participation of female employees, such as developing female managers and leaders and supporting the balance between work and childcare. As of April 1, 2025, the percentage of female managers was 16.1%. In addition, from FY2024, we have established "job matching system" as a measure to encourage senior human resources aged 55 and over to play active roles. We have been strengthening our efforts to address diversity, equity, and inclusion, by new initiatives such as, "parents coaching class" where employee can seek for the support for balancing the work and childcare.

[Training by Level and Purpose]

	Training by level		Training by purpose		
	Strengthening roles	Strengthening Skills	By job	Developing the next generation of leaders	By theme
Officers	Officer training				
Managers	Management Training				
Mid-level employees	Training for new managers				
Young employees	Pre-management training		Critical thinking		
Young employees	On-the-job training	Accounting	6th year training		
Young employees	3rd year training				
Young employees	2nd year training				
Young employees	Training after six months of employment				
Young employees	New employee training (2 months)		1st year Self-reliant online video learning (Schoo)		
Senior employees	Active senior training				

PICK UP 2 Initiatives to Improve Employee Health

As part of our efforts to improve employee health, we have set out focus themes and are working on them. In FY2024, one of our focus themes was "improving exercise habits," and in addition to the twice-yearly walking campaign, we also held a Employee Fitness Assessment Event called "Our Wellness Maintenance" hosted by TANITA corporation. 153 employees participated in the Employee Fitness Assessment Event. Using the latest body composition scales and fitness analysis equipment, we measured physical fitness scores and muscle strength, checking the condition of muscles from various angles. Individual counseling based on the measurement

Major health-related measures in FY2024

- Published and disclosed health management reports and strategy maps
- Conducted theme-specific seminars (health literacy, sleep, and women's health)
- Conducted mental health training

results was provided as an opportunity for each individual to re-examine their own health habits.

We have positioned health management as one of our key sustainability initiatives and will continue to maintain and improve the health of our employees.



See here for details (available only in Japanese)
<https://www.itochu-shokuhin.com/company/health-manage-declaration.html>





Strengthening Corporate Governance

Strengthening governance is essential for us to earn the trust of stakeholders, achieve sustainable growth, and improve corporate value.

As a company listed on the Prime Market, we will maintain transparency and strive for appropriate corporate governance in accordance with the Corporate Governance Code.

Theme	Target	Measure
Enhancing the corporate governance system	<ul style="list-style-type: none"> Sustainable growth and medium- to long-term improvement in corporate value 	<ul style="list-style-type: none"> Appropriate compliance with the Corporate Governance Code

Corporate Governance System

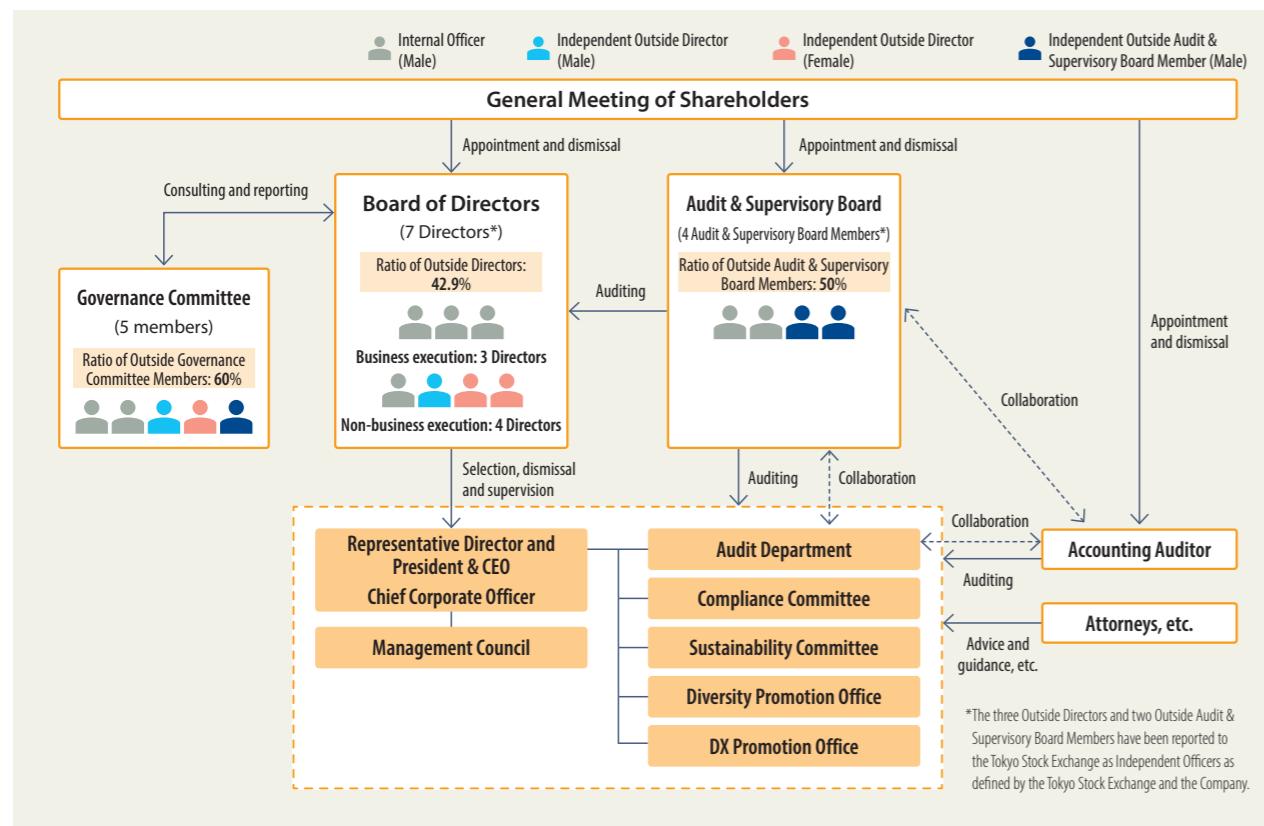
As a company with an Audit & Supervisory Board, we have established a Board of Directors as well as an Audit & Supervisory Board, and have introduced an Executive Officer system. By separating monitoring and supervision of business execution by the Board of Directors and the Audit & Supervisory Board from business execution by Executive Officers, we aim to "improve management transparency," "clarify the responsibilities of management," and "accelerate decision-making." In light of growing demands for diversity on the Board of Directors, we appointed

our first female Director in FY2019, and as of June 19, 2025, we have appointed two female Directors, with the aim of building an optimal corporate governance system. The Board of Directors and the Audit & Supervisory Board will ensure diversity and effectiveness, as well as strive to achieve sustainable growth, enhance corporate value, and strengthen corporate governance.

▶ See here for details (available only in Japanese)
<https://www.itochu-shokuhin.com/company/governance.html>



[Corporate Governance Structure (as of June 19, 2025)]



Governance Committee

The Company established the Governance Committee on April 1, 2020 with the aim of enhancing the functions of the Board of Directors regarding corporate governance, and meetings are held as necessary. The Committee serves as a voluntary advisory body to the Board of Directors, strengthening the supervisory function of the Board of Directors and offering objective opinions and suggestions on matters relating to the Company's corporate governance.

Composition and Roles of the Governance Committee

Composition	The Committee consists of five members. The majority of the members are Independent Outside Directors and Independent Outside Audit & Supervisory Board Members.
Roles	<ul style="list-style-type: none"> Matters concerning nomination, compensation, etc. Matters concerning governance (related party transactions, policy on cross-shareholdings, etc.)

Evaluation of the Effectiveness of the Board of Directors

An evaluation of the effectiveness of the Board of Directors (questionnaire + interview) is conducted for all Directors and Audit & Supervisory Board Members, and the effectiveness of the Board of Directors is analyzed and evaluated every year.

In FY2024, the Board of Directors' structure (member composition) and operations were deemed appropriate. The issues identified through this evaluation will be continuously reviewed and addressed, and efforts will be made to further improve the effectiveness of the Board of Directors.

Compliance with the Corporate Governance Code

With regard to "compliance with the Corporate Governance Code," which is one of our initiatives for "strengthening corporate governance," we are following the principles of the Corporate Governance Code. Moreover, in terms of management considering the cost of capital, we appropriately recognize the Company's cost of capital and reflect it in our investment criteria and management decisions.

For more details, please refer to our Corporate Governance Report using the link below.



▶ Corporate Governance Report (available only in Japanese)
<https://www.itochu-shokuhin.com/ir/library/cg.html>

Compliance System

We have established the "ITOCHU-SHOKUHIN Group Compliance Regulations," which stipulate basic matters regarding compliance initiatives. The Compliance Committee, chaired by the officer in charge, meets twice a year to work on improving the compliance system.

Based on the "ITOCHU-SHOKUHIN Group Internal Reporting System (Hotline) Regulations," we have posted information on how to use the reporting system, etc. on the portal websites of the Company and Group companies, and are working to detect issues early and take corrective measures. In addition, we hold a "Group Compliance Liaison Committee" meeting twice a year, attended by general managers from Group companies, to instill awareness of compliance.

To ensure that all employees are fully aware of relevant laws and regulations, such as the Anti-Monopoly Act and the Act on the Protection of Personal Information, we provide group training and e-learning activities for employees as appropriate.

In addition, regulations are established regarding power harassment,

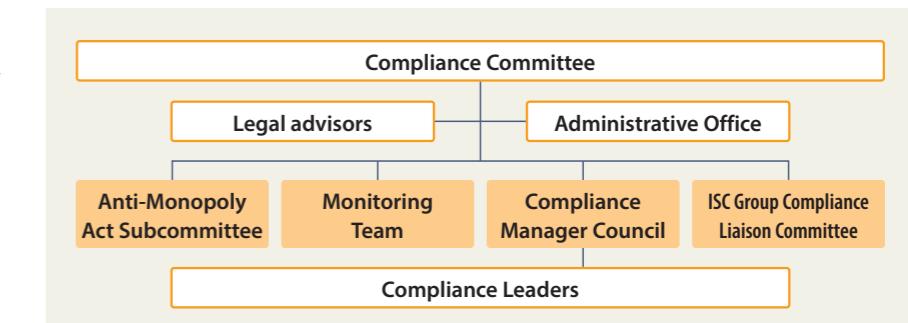
sexual harassment, whistleblower hot line, and exclusion of anti-social forces.

We ensure thorough compliance through initiatives such as continuously issuing a "Compliance Newsletter" to all employees, conducting harassment training for full-time officers and manager, and interviews to managers to understand the psychological gap between the managers and their team members.

▶ See here for details (available only in Japanese)
<https://www.itochu-shokuhin.com/company/compliance.html>



[ITOCHU-SHOKUHIN Group Compliance Structure (as of April 1, 2025)]



Governance

Messages from Outside Directors



Yasuyuki Miyasaka
Outside Director

Q. How would you evaluate the Company's efforts to improve the effectiveness of the Board of Directors?

Regarding the effectiveness of the Board of Directors, an effectiveness evaluation questionnaire is conducted amongst members every year, and the results are compiled by the administrative office for an overall evaluation. The results of this questionnaire have shown that the Board of Directors is functioning effectively, but there have also been various opinions received regarding issues that need to be addressed going forward. One such example is deepening our discussions on medium- to long-term strategies. There is uncertainty about future trends in the food distribution industry, such as restructuring and integration with other industries, and I believe that the key to the Company's future growth lies in how sensitively we can pick up on these trends and quickly respond to them. To that end, the Board of Directors should actively engage in flexible discussions with an eye to the future.

Q. Please tell us your honest opinion on the Company's defining features and challenges.

If I had to sum up the Company's defining feature in one phrase, I would say that it always takes a straightforward and principled approach.

This is also reflected in the Company's sales approach, which involves sincerely engaging with customers, suppliers and other business partners, and sensitively understanding and responding to their needs. However, while I believe it also depends on each employee's individual stance, I think it might be beneficial to take on even bolder business strategies and sales measures based on thorough situational analysis. Challenges the Company is facing include further profitability in the digital signage business, responding to restructuring in the retail industry, expanding the ready-made meals and refrigerated food areas, and further improving the efficiency and strength of the logistics function. I believe that it is essential to strengthen coordination between relevant departments and address these issues with a sense of purpose.



Takako Okuda
Outside Director

Q. What is your evaluation of the Company's efforts to utilize digital signage (in-store merchandising)?

Last autumn, when I heard the news that the number of digital signage units installed had exceeded 10,000, I felt that this was the result of the thoughts and actions of all employees who, since the formulation of "Transform 2025 - Creation and Circulation" in 2023, have been thinking from a consumer perspective and proposing in-store merchandising while listening to the needs and requests of both manufacturers and retailers. By implementing a variety of initiatives, such as clarifying the effectiveness of signage and running campaigns using QR Codes, the Company has successfully created a consumer-oriented flow from the moment customers enter a store to when they make a purchase and leave. With the retail media market predicted to reach 1 trillion yen by 2028, I have high hopes that this will become a major asset for the Company's sales capabilities and in-store merchandising proposal capabilities.

Q. How would you evaluate the Company's work style reform efforts?

In March of this year, the Company was certified as a "White 500" 2025 Certified Health & Productivity Management Outstanding Organization. I believe this certification was given not only in recognition of the improvements the Company has made to its systems, including reducing overtime hours, introducing a job matching system for seniors, and reducing the burden on employees working short hours due to childcare, but also the care and efforts the Company has made on the soft side to support employees in various life stages and family situations. The Company has also created a community for people who want to discuss elderly care issues and also a community to support childcare. I hope that these efforts will deepen communication between employees and lead to improved employee well-being.



Kaoru Chujo
Outside Director

Q. How would you evaluate the status of the Company's DX initiatives?

The Company has designated "Information" as one of the three focus areas in its Medium-term Management Plan, and is promoting DX initiatives that connect manufacturers, retailers, and consumers to create shared value, positioning digital signage in retail stores as an important customer contact point. The biggest change that has come from this, which I highly commend, is that it has fostered in employees a proactive mindset to make proposals to customers.

On the other hand, a key challenge for the Company is to accelerate the DX initiatives to actively utilize generative AI and other technologies to enhance the efficiency and quality of the business processes, thereby enabling each employee to focus on higher value-added tasks. I look forward to accelerating initiatives related to this in coming period.

Q. Now that we are in the final year of the current Medium-term Management Plan, how would you evaluate the efforts made thus far?

The core of the current Medium-term Management Plan is to "Transform": transforming the Company to keep up with changes in the world, and connecting manufacturers and retailers with a consumer-oriented approach to create and circulate shared value. By clearly sharing the Company's direction both inside and outside the Company and always making it the basis of actions, I have seen positive changes in all employees, including the management. I commend these changes, as they have led to six consecutive years of increased profits and a significant increase in dividends to shareholders.

As consumer behavior and restructuring in the food distribution industry continue to accelerate, I hope that in this final year of the plan, the Company will further hone its sensibilities to quickly anticipate changes and risks, and establish an organizational culture of proactive engagement, that encourages people to think for themselves and act independently.

Criteria for Independence of Outside Directors and Outside Audit & Supervisory Board Members

The Company has established criteria for independence of Outside Officers, as described below, for the purpose of objectively determining the independence of Outside Directors and Outside Audit & Supervisory Board Members (hereinafter, "Outside Officers"). The Company determines that an Outside Officer is independent of the Company if the person meets the requirements for Independent Officers stipulated by Tokyo Stock Exchange, Inc. and does not fall under any of the criteria below.

▶ See here for details on our independence criteria.
(available only in Japanese)
https://www.itochu-shokuhin.com/company/pdf/governance/governance_20200401.pdf



Main Activities of Outside Directors and Outside Audit & Supervisory Board Members

Classification	Name	Main activities (Summary of duties performed in relation to the roles expected to be performed)
Directors	Yasuyuki Miyasaka	Mr. Yasuyuki Miyasaka has been properly supervising the management of the Company and offering accurate advice on ensuring validity and appropriateness in decision-making by the Board of Directors primarily from his expert perspective as a certified public accountant. In addition, as a member of the Governance Committee, he contributes to strengthening the supervisory function of the Board of Directors, such as by actively providing opinions and advice. He attended all 13 Board of Directors meetings held during the fiscal year under review and made necessary remarks on agenda as appropriate.
	Takako Okuda	Ms. Takako Okuda has been making a contribution to ensuring appropriateness in decision-making by the Board of Directors and supervising business execution from diverse standpoints. In addition, she has been appropriately fulfilling her role such as by actively offering opinions and advice to the Company's diversity promotion, efforts to sustainability, etc. She attended all 13 Board of Directors meetings held during the fiscal year under review and made necessary remarks on agenda as appropriate.
	Kaoru Chujo	Ms. Kaoru Chujo has been offering advice on ensuring validity and appropriateness in decision-making by the Board of Directors and properly supervising business execution from an objective and practical standpoint. She also has been providing opinions and advice as a member of Governance Committee, while appropriately fulfilling her role such as by actively engaging in the Company's diversity and DX promotion. She attended all 13 Board of Directors meetings held during the fiscal year under review and made necessary remarks on agenda as appropriate.
Classification	Name	Main activities
Audit & Supervisory Board Members	Kensuke Masuoka	Mr. Kensuke Masuoka attended all 13 Board of Directors meetings and all 15 Audit & Supervisory Board meetings held during the fiscal year under review, and made necessary remarks on agenda as appropriate, mainly from his professional perspective as an attorney. In addition, he has been offering accurate opinions and suggestions as a member of the Governance Committee.
	Shinichiro Yamaoka	Mr. Shinichiro Yamaoka attended 11 of the 13 Board of Directors meetings and all 15 Audit & Supervisory Board meetings held during the fiscal year under review, and made necessary remarks on agenda as appropriate, mainly from his professional perspective as a certified public accountant.

Reference: Notice of the 107th Annual General Meeting of Shareholders

Governance

Directors, Audit & Supervisory Board Members, and Executive Officers

(As of June 19, 2025)

Directors

**Hitoshi Okamoto**Representative
Director and
President & CEO**Yoshihiro Fukushima**Director
Chief Executive,
Administration &
Management Group;
in charge of Compliance;
in charge of Sustainability
Diversity Promotion
Office**Naoyuki Uozumi**Director
Chief Executive, Sales
& Marketing Group**Hiroyuki Nakamura**Director
Non-executive

Outside Directors

**Yasuyuki Miyasaka**Director
Non-executive**Takako Okuda**Director
Non-executive**Kaoru Chujo**Director
Non-executive

Audit & Supervisory Board Members

**Hideaki Nagashima**Full-time Audit &
Supervisory Board
Member**Ryuta Seike**Audit & Supervisory
Board Member
Non-executive**Kensuke Masuoka**Audit & Supervisory
Board Member
Non-executive**Shinichiro Yamaoka**Audit & Supervisory
Board Member
Non-executive▶ Please refer to the notice of convocation for further details.
https://www.itochu-shokuhin.com/ir/pdf/notice/shoshu202505_en.pdf

Executive Officers

Chief Corporate Officer

Hitoshi Okamoto

Senior Managing Executive Officers

Naoyuki Uozumi

Chief Executive, Sales & Marketing Group

Yoshihiro FukushimaChief Executive, Administration & Management Group; in charge of Compliance; in charge of Sustainability
Diversity Promotion Office

Managing Executive Officers

Tsuyoshi OtsukaGroup Executive, Division Group No.1
Diversity Promotion Office**Manabu Ogata**Group Executive, Division Group No.2
General Manager, Diversity Promotion Office**Yasumasa Saeki**Group Executive, Division Group No.3
Diversity Promotion Office

Executive Officers

Yoshiyuki Yamamura

President, IMC Corporation

Taichi SatoDeputy Group Executive, Division Group No.2
Executive General Manager, Sales Division No.4**Kanji Fukui**Deputy Group Executive, Division Group No.1
Executive General Manager, Sales Division No.1;
General Manager, Drugstore Department**Masahide Kitagawa**Executive General Manager, Administration Division;
General Manager, Examination Department**Takeshi Hagiwara**

Executive General Manager, Logistics Division

Hideo NanimotoExecutive General Manager, Information Systems Division;
DX Promotion Office**Hidenari Sato**Executive General Manager, Corporate Planning Division;
General Manager, DX Promotion Office**Hideki Hamada**Executive General Manager, Finance & Accounting Division;
General Manager, Finance & Accounting Department;
President, JSC Business Support Co., Ltd.

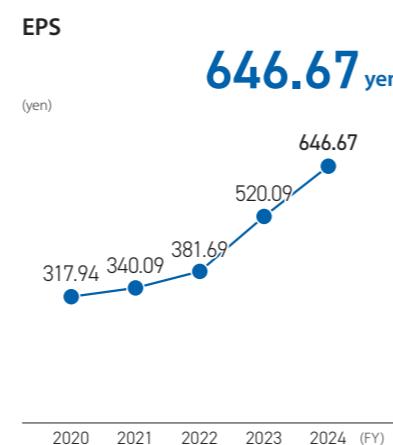
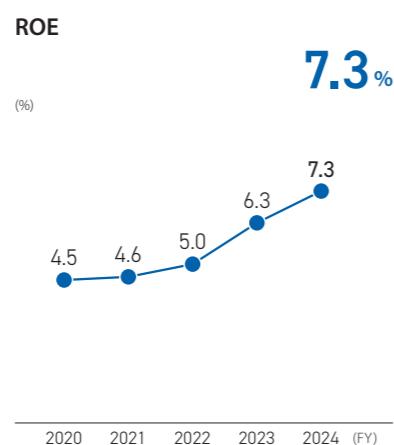
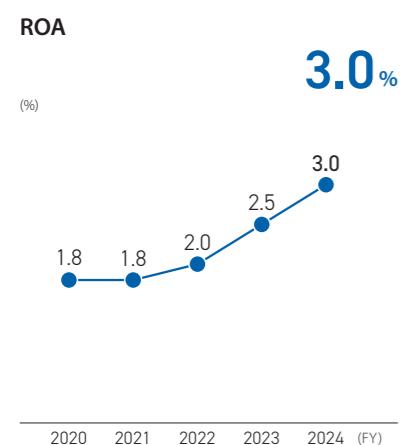
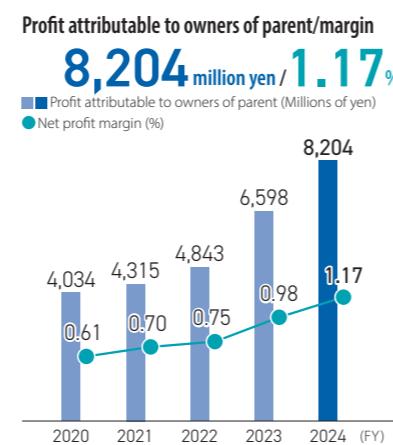
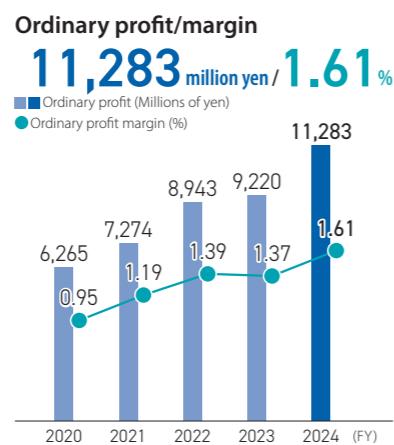
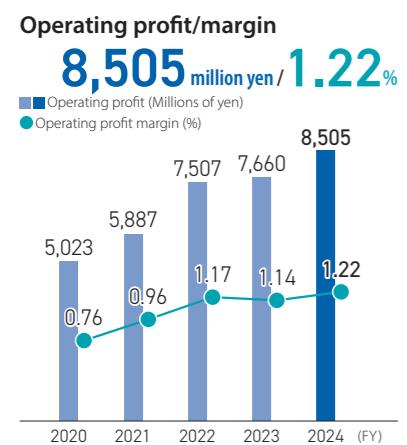
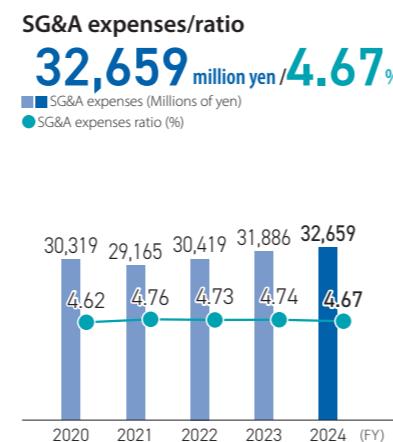
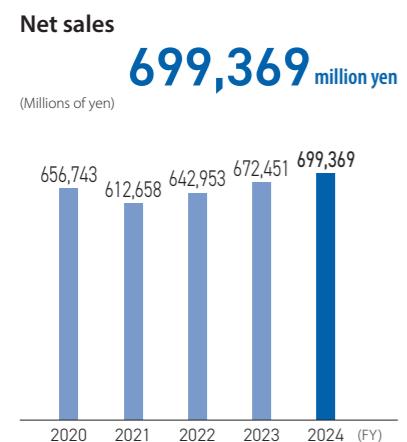
Skills Matrix for Directors and Audit & Supervisory Board Members

		Knowledge and experience expected by the Company								
Directors	Name	Gender	Overall management/ management strategy	Sales/ marketing	Finance/ accounting	Legal affairs/ risk management	HR training/ diversity	ESG/ sustainability	Governance/ internal control	ICT (information communication technology)/ logistics
			●	○	○	○	○	○	○	○
	Hitoshi Okamoto	Male	●	○	○	○	○	○	○	○
	Yoshihiro Fukushima	Male	○	●	●	○	●	●	○	○
	Naoyuki Uozumi	Male	○	●	○	○	●	●	○	●
	Hiroyuki Nakamura	Male		●		○	○		○	
	Yasuyuki Miyasaka	Male	Outside Independent	○		●	○			●
	Takako Okuda	Female	Outside Independent		○	○	●	●	●	○
	Kaoru Chujo	Female	Outside Independent	○		○	●	●	●	●
	Hideaki Nagashima	Male			○	●			○	
	Ryuta Seike	Male		○	●				○	
	Kensuke Masuoka	Male	Outside Independent			●				●
	Shinichiro Yamaoka	Male	Outside Independent	●	●					●

*1 The above matrix does not represent all the knowledge and experience possessed by Directors and Audit & Supervisory Board Members.

*2 ● indicates knowledge and experience particularly expected.

Financial Highlights



*1 Amounts are rounded to the nearest million yen.

*2 Percentages (%) are rounded to the first or second decimal place.

*3 Due to the above, the totals may not add up.

*4 We have been applying the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. since the beginning of FY2021, and all figures for FY2021 and onwards are based on the application of the relevant accounting standards.

Supplementary Data

	FY2020	FY2021	FY2022	FY2023	FY2024
Total assets (Millions of yen)	231,183	236,668	246,617	274,496	271,551
Net assets (Millions of yen)	93,337	95,249	99,781	109,268	115,592

Net Sales and Composition Ratio by Product Category

Product Category	FY2023 Results		FY2024 Results		
	Net sales (Millions of yen)	Composition Ratio (%)	Net sales (Millions of yen)	Composition Ratio (%)	Percent Change (%)
Beer-type beverages	154,328	22.9	154,584	22.1	0.2
Japanese and foreign liquors	106,322	15.8	116,314	16.7	9.4
Seasonings and canned foods	110,446	16.4	116,171	16.6	5.2
Luxury foods and beverages	167,805	25.0	175,186	25.0	4.4
Noodles and dried foods	48,129	7.2	50,486	7.2	4.9
Frozen and chilled foods	27,786	4.1	29,346	4.2	5.6
Gifts	33,587	5.0	32,127	4.6	(4.3)
Others	24,048	3.6	25,157	3.6	4.6
Total	672,451	100.0	699,369	100.0	4.0

(Notes) Net sales of RTDs are included in "Japanese and foreign liquors"

RTD: Ready-to-Drink. Alcohol beverages such as canned Chuhai.

Net Sales and Composition Ratio by Business Format

Business Format	FY2023 Results		FY2024 Results		
	Net sales (Millions of yen)	Composition Ratio (%)	Net sales (Millions of yen)	Composition Ratio (%)	Percent Change (%)
Wholesalers	35,504	5.3	37,799	5.4	6.5
Department stores	17,734	2.6	16,333	2.3	(7.9)
GMS/SM	357,467	53.2	372,980	53.3	4.3
CVS	76,001	11.3	74,987	10.7	(1.3)
Drugstores	75,340	11.2	79,462	11.4	5.5
Other retailers	81,349	12.1	87,472	12.5	7.5
Others	29,056	4.3	30,335	4.4	4.4
Total	672,451	100.0	699,369	100.0	4.0

(Notes) GMS: General Merchandise Store

SM: Supermarket

CVS: Convenience Store

Company Information/Stock Information (As of March 31, 2025)

Company Profile

Company name	ITOCHU-SHOKUHIN Co., Ltd.
Date of foundation	February 11, 1886
Date of incorporation	November 29, 1918
Capital	4,923,464,500 yen
Number of employees	Consolidated: 1,188 Non-consolidated: 897
Business Description	Our main business operations are the wholesale of liquors and foods, storage and transport of these goods, provision of information on various goods, and merchandising related to product distribution.
Location of headquarters	2-22 Shiromi, Chuo-ku, Osaka-shi, Osaka
Osaka Head Office	2-22 Shiromi, Chuo-ku, Osaka-shi, Osaka Tel: +81-6-6947-9811
Tokyo Head Office	Akasaka K Tower, 1-2-7 Motoakasaka, Minato-ku, Tokyo Tel: +81-3-5411-8511
Corporate Website	https://www.itochu-shokuhin.com

Main Business Locations

① Hokkaido Branch	Suhara Odori Building 2F, 3-2 Odori Higashi, Chuo-ku, Sapporo-shi, Hokkaido
② Sendai Sales Office	4-3-10 Oginomachi, Miyagino-ku, Sendai-shi, Miyagi
③ Koriyama Sales Office	25-12, Akagimachi, Koriyama-shi, Fukushima
④ Tokyo Headquarter	Akasaka K Tower, 1-2-7 Motoakasaka, Minato-ku, Tokyo
⑤ Nagoya Office	1-6-9 Shinoto, Atsuta-ku, Nagoya-shi, Aichi
⑥ Osaka Headquarter	2-2-22 Shiromi, Chuo-ku, Osaka-shi, Osaka
⑦ Shikoku Sales Office	1-34 Okinohama, Sakaide-shi, Kagawa
⑧ Chu-Shikoku Branch	Royal Tower 4F, 1-1 Inarimachi, Minami-ku, Hiroshima-shi, Hiroshima
⑨ Kyushu Branch	Yasuda 7th Building 2F, 13-15 Kamikawabatamachi, Hakata-ku, Fukuoka-shi, Fukuoka



Subsidiaries and Associates

● Consolidated subsidiaries

Shin Nihon Ryutsu Service Co., Ltd.	Cargo transportation and handling business
ISC Business Support Co., Ltd.	Service business
Suhara Foods Co., Ltd.	Liquor and food wholesale business
IMC Corporation	Retail business

● Non-consolidated subsidiaries

Horai Shoten Co., Ltd.	Liquor and food retail business
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● Associates

CHUBU MEIKAN Co., Ltd.	Food wholesale business
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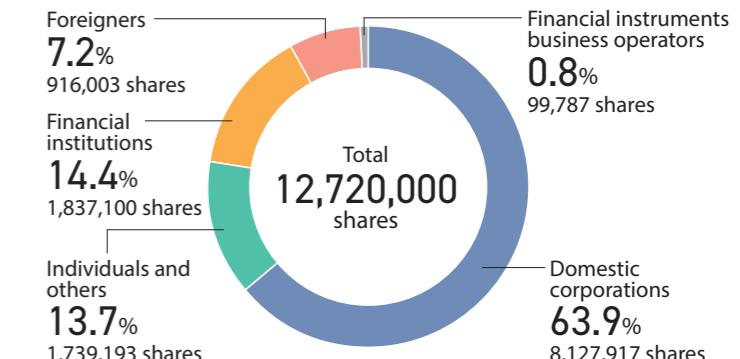
Stock Information

● Total number of shares and number of shareholders

Total number of issued shares	12,720,000 shares
1. Total number of authorized shares	40,000,000 shares
2. Number of shares per unit	100 shares
Number of shareholders	12,400

Tokyo Stock Exchange
Prime Market
Securities code
2692

● Share distribution status (by owner)



Number of Business Partners

Manufacturers	Approx. 4,000 companies nationwide
Number of items	Approx. 500,000 items
Retailers, etc.	Approx. 1,000 companies nationwide

ITOCHU-SHOKUHIN is a liquor and food wholesaler which deals with approximately 4,000 manufacturers nationwide and delivers about 500,000 items to about 1,000 retailers across the country. By delivering a vast number of products to sales areas quickly, accurately and safely, we serve as a lifeline that supports a rich dietary life in Japan.

External Evaluation

● Certified Health & Productivity Management Outstanding Organization



● Eruboshi Certification



● Digital Transformation Certification



● PrivacyMark System



● ISO 14001 (Environmental Management Systems)



ISO 14001:2015 認証取得

(Tokyo Head Office/Sagamihara IDC)

For a wide range of IR information, please visit our IR (Investor Relations) webpage.

- Trends in business performance and financial indicators
- Financial statement announcements (summary of financial results, etc.)
- Timely disclosure information
- Stock information (shareholder information)
- Notices of annual general meetings of shareholders, etc.

▶ See here for details
<https://www.itochu-shokuhin.com/ir/>

