

Editing Policy

We at ITOCHU Corporation believe that corporate social responsibility (CSR) lies in corporate thought and action on the question of how to play a role in building sustainable societies through business activities. This report presents the role we must discharge and our initiatives for it.

The nature of our business varies greatly depending on the Division Company, and each Division Company faces different issues regarding sustainability. With the aim of pursuing CSR activities with actual effect in their respective businesses, the seven Division Companies are taking the lead in preparing their CSR action plans to identify key tasks, and solve and improve them.

This, our second CSR report, centers around the results of the CSR action plans prepared by the Division Companies in fiscal 2006 (i.e., FY 2006 action plans) and the fiscal 2007 action plans prepared on the basis of assessments of those results. It also sets forth our policies on promoting ITOCHU Group CSR initiatives throughout the group and overseas.

We strove to make this report a clear one that would not only inform external parties about our CSR activities but also give our employees a good understanding of them and enable group companies to conduct such activities themselves.

Referenced Guidelines

Sustainability Reporting Guideline 2006 issued by Global Reporting Initiative (GRI)

Environmental Reporting Guideline (fiscal 2003 publication) issued by Ministry of Environment

* The comparative table with GRI Guideline 2006 is posted on the following website.

http://www.itochu.co.jp/main/csr/csr_report/index_e.html

Reporting Period

This report principally covers actual data for the fiscal year beginning on April 1, 2006 and ended on March 31, 2007 (FY 2006). However, some of the more recent information on our activities and initiatives are also included.

* The terms "FY2006" and "fiscal 2006" refer to the period noted above.

Reporting Scope

Information on ITOCHU Corporation (18 domestic offices and 134 overseas offices) and major group companies is presented in this report.

Information on Publication

Date of publication : September 2007

Next issue : Tentatively September 2008
(last publication: August 2006)

For more information, please contact us:

ITOCHU Corporation
CSR Promotion Office
CSR & Compliance Division
TEL : +81-3-3497-4064
FAX : +81-3-3497-7769
E-mail : csr@itochu.co.jp

Contents

Corporate Profile	1
Editing Policy/Contents	2
President's Commitment	3
Business Outline of the ITOCHU Group	5

ITOCHU Group's CSR

CSR for ITOCHU Corporation	7
Methods and Structure for CSR Promotion at ITOCHU	9
Toward Expansion of the Scope of CSR Activities	11

Stakeholder Dialogue

CSR Action Plans and Activity Report by Division Company

● Textile Company	17
● Machinery Company	19
● Aerospace, Electronics & Multimedia Company	21
● Energy, Metals & Minerals Company	23
● Chemicals, Forest Products & General Merchandise Company	25
● Food Company	27
● Finance, Realty, Insurance & Logistics Services Company	29

Management Structure

Corporate Governance	31
Compliance	32
CSR Management Action Plans and Activity Report	33

Social Report

Involvement with Employees	35
Social Contribution Activities	38

Environmental Report

Environmental Activity Policy	40
Relationship between Business Activities and the Environment	41
Environmental Impact Assessment and Risk Management	42
Environment-preserving Business	43
Third-party Opinion	46