

Textile Company CSR Action Plans and Report on Activities

Contributing to the realization of a healthy, prosperous, and active society

CSR at this Division Company

The Textile Company places a top priority on further improving the safety of its products and services as well as customer satisfaction in its CSR activities. It also strives to promote environment-friendly businesses and expand its CSR activities into our group companies.

Division	CSR tasks	FY2009 action plans	Status*
Textile Material & Fabric Division	Promote environment-conserving businesses	Strive to increase market recognition of the eco-friendly dyeing technology in Japan, the US and Europe, as well as to build and expand new businesses relating the technology.	
Apparel Division	Strengthen response to customers and consumers	Continuously participate in practice-review meetings, as well as CSR educational activities at division meetings etc.	
Brand Marketing Division 1	Strengthen response to customers and consumers	Ensure participation of group companies in compliance meetings of the Division Company in order to reinforce their compliance, and plan and hold CSR-related meetings for consumer response, etc.	
Brand Marketing Division 2	Strengthen response to customers and consumers	Continuously participate in practice-review meetings, as well as CSR educational activities at division meetings etc.	

*: :Achieved :Nearly achieved :Unachieved

Reflections from the workshop to review CSR at Division Companies



Textile manufacturing is a labor-intensive industry. Nevertheless, despite the importance of compliance management with relation to human-rights and labor issues, there are still very few companies in the apparel industry with active commitments to CSR. Our Textile Company contributes widely to the industry, and it is committed to taking a lead in CSR initiatives in the industry as a whole. Therefore, we hold company-internal training to improve understanding of CSR.

Major CSR initiatives ①

Fashion Earth Project



Fashion Earth PROJECT

We have begun an initiative to purchase CO₂ emission credits from wind-power projects in India and other sources, and sell product tags with CO₂ emission credits to apparel manufacturers. This cross-industry initiative allows apparel manufacturers to highlight their contribution to the environment to consumers, by attaching these tags to their clothing. We are committed to making a contribution to the mitigation of global warming by making a broad call to apparel manufacturers, and expanding the commitment to environmental conservation throughout the industry.



Shigeaki Hayashi

Apparel Department 2,
Apparel Division

[Key points of our FY2010 CSR Action Plan]

We continue to conduct monitoring and evaluation of overseas production plants, as well as strive to enhance the effectiveness of supply chain management through employee education and training. In addition, we further continue to promote environment-friendly businesses.

<p>Business overview</p> <p>The Division Company aims for sustainable growth by globally developing its business in a range of fields from raw materials to finished products, from fashion to non-fiber materials.</p>	<p>Major products and services</p> <p>Fiber raw materials; industrial materials; textile, apparel, fashion goods; brand marketing including food and living related products.</p>	<p>Major group companies</p> <ul style="list-style-type: none"> ● itochu fashion system co.,ltd ● ROY-NE Co., Ltd. ● JOI'X CORPORATION ● ITOCHU TEXTILE (CHINA) CO., LTD. ● ITOCHU TEXTILE PROMINENT (ASIA) LIMITED ● Sankei Co., Ltd.
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Hitoshi Okamoto
President, Textile Company

FY2009 results

Developed and promoted businesses relating to pre-organic cotton and eco-friendly dyeing technology in coordination across divisions within the Division Company.

Hosted practice-review meetings initiated by the Division Company with the attendance of section managers, coordinators and logistics section managers, as well as division meetings in order to ensure a thorough understanding of CSR related issues that require special attention.

Further reinforced compliance of group companies, by requesting compliance officers of group companies to attend internal compliance meetings of the Division Company, and instructing them a timely and accurate reporting of compliance issues.

Hosted practice-review meetings initiated by the Division Company with the attendance of section managers, coordinators and logistics section managers, as well as division meetings in order to ensure a thorough understanding of CSR related issues that require special attention.

FY2010 action plans

- Develop and promote businesses relating to pre-organic cotton and enhance coordination across divisions within the Division Company.
- Strengthen overseas bases for eco-friendly dyeing service systems, and further expand the business inside and outside Japan.

New Promotion of environment-conserving businesses
Launch and promote the "Fashion Earth Project" and further advance our efforts for environmental conservation across the industry.

Ensure participation of group companies in compliance meetings of the Division Company in order to reinforce their compliance, and plan and hold CSR-related meetings for consumer response, etc.

New Promotion of environment-conserving businesses
Develop environment-friendly products in the area of non-fiber materials.

Major CSR initiatives ②

PRE-ORGANIC COTTON PROGRAM

The Danish URBAN ELK brand of children's clothing using INKMAX print



We have launched a cross-functional project at our Textile Company to sell pre-organic cotton jeans, in collaboration with a famous brand that supports the PRE-ORGANIC COTTON PROGRAM. This product has been accepted widely by consumers, for the traceability from the cotton used as a raw material until the product reaches consumers, and for its concern for environmental impact. We have also begun sales of bed sheets, towels, and children's clothing products fusing pre-organic cotton with our Textile Company's INKMAX process environmentally aware dyeing technology. We will continue our efforts to make products that are friendly to people and the global environment, and to popularize pre-organic cotton.

Ryoma Omuro
Section Manager, Textile Material Section,
Textile Material & Fabric Department

CSR initiatives by major group companies

Factory audit in China

Audit of our textile factory in Zhejiang Province



As a compliance team leader, we support businesses with a high level of compliance management at our production plants in China. Our compliance team regularly audits the factories of our suppliers, checking to ensure that the environmental response and protection of human rights meet international standards and comply with local laws. We also work in partnership with the ITOCHU headquarters in order to further improve supply chain management.



Vivian Tang
ITOCHU TEXTILE (CHINA) CO., LTD.

Machinery Company CSR Action Plans and Report on Activities

Contributing to the prosperity of local communities and international society through environment-friendly businesses

CSR at this Division Company

The Machinery Company strives to develop and expand environment-friendly businesses and products which will reduce environmental burdens. We will also endeavor to help toward the realization of a society that is in harmony with the environment, and contribute to the prosperity of local communities and international society.

Division	CSR tasks	FY2009 action plans	Status*
Plant Project & Marine Division	Resolve urban transportation problems (traffic congestion, exhaust emissions, etc.)	Research and seek new opportunities to supply HSST (High Speed Surface Transport).	
	Promote projects to increase energy usage efficiency/reduce substances with adverse environmental impact	<ul style="list-style-type: none"> Develop biomass power projects in the US. Promote the early launch of bio-ethanol projects mainly in Southeast Asia and Latin America. 	
	Secure and utilize water resources	<ul style="list-style-type: none"> Continuously promote the rehabilitation of desalination plant projects Promote desalination projects using wind power. 	
Automobile & Construction Machinery Division	Promote sales of equipment that will reduce environmental burdens and develop new environment-friendly products	Promote reduction of environmental burdens through expanding the sale of the new technology of DPF (Diesel Particulate Filter).	

*: :Achieved :Nearly achieved :Unachieved

Reflections from the workshop to review CSR at Division Companies



The workshop gave our CSR representatives the opportunity to reflect anew on the meaning of CSR. Our Division Company has long contributed to society through its main business, including environmentally conscious business initiatives, conservation and development of water resources, and creation of social infrastructures. We plan to continue our current activities, while working actively in areas such as environment-friendly business.

Major CSR initiatives ①

Water business initiatives

Conceptual drawing of new desalination plant



In August 2009, a consortium of which we are a member, was selected as a preferred bidder for the world's largest desalination project (about 400,000 tons/day) in Melbourne, Australia. This project will provide a stable supply of water over a 27-year period to Melbourne, where water shortages are a matter of concern. We have also established a development organization in our Plant Project & Marine Division, which is developing water-related businesses other than desalination.



Tsuneharu Hibino
China & Oceania Group,
Plant & Project Department No.2



[Key points of our FY2010 CSR Action Plan]

Continuing the management considering environmental and CSR issues, we will aggressively work on businesses related to renewable energies including biomass, geothermal, etc. as well as those related to water including mainly desalination plants in this fiscal year.

Business overview

The Machinery Company develops infrastructure overseas as well as invests in businesses and trades in areas that include automobiles, ships, and construction machinery. It also promotes environment-friendly businesses.

Major products and services

Gas and petrochemical plants; equipment related to water resources, environment, and energy conservation; railway rolling stock; power generation equipment; ships; automobiles; construction machinery

Major group companies

- ITOCHU Plantech Inc.
- ITOCHU Automobile Corporation
- ITOCHU CONSTRUCTION MACHINERY CO., LTD.
- MCL Group Limited (UK)
- ITOCHU Automobile America Inc. (USA)
- Century Tokyo Leasing Corporation



Toru Matsushima
President, Machinery Company

FY2009 results

Launched discussion and feasibility study on potential businesses and projects in Middle East and Asia.

- Completed the development phase of the biomass power project in North America, and sold the project to a major US electric company.
- Launched the bioethanol projects in Philippines.

A consortium, of which ITOCHU is a member providing project finance, was selected as a preferred bidder for the world largest desalination project in Australia.

Advanced consultation with business partners and suppliers regarding specific matters such as introduction of samples.

FY2010 action plans

Continuously promote sales activities focusing on Middle East, Asia, and other emerging countries.

- Further promote other biomass power projects in North America.
- Further promote bioethanol projects focusing on Asia.

- Continuously promote the rehabilitation of desalination plant projects.
- Continuously promote desalination plant projects in Australia and Middle East where water shortage is a concern.

Continuously advance technical consultation with business partners and suppliers.

Major CSR initiatives ②

Advancing creation of bioethanol business

Field of sugarcane used as a raw material for bioethanol plant



We are actively promoting projects for the local production and consumption of bioethanol in Asia. Domestically produced bioethanol is a vital source of energy for Asian countries, where most of them are importers of crude oil. Bioethanol is considered to have zero net CO₂ emissions, so it contributes to environmental conservation. We expect growth in this field moving forward, as various countries are trying to create laws for the introduction of bioethanol.



Daisuke Takimoto

Asia Group No.1,
Plant & Project Department No.2

CSR initiatives by major group companies

Reducing volume of dredging soil

Tagonoura plant with Power Filter Press (PFP) system for dredge works



Japanese ports have been having difficulties in securing landfill sites for dredging soil, which is a result of dredging in order to allow entry of larger ships, and to maintain the water depth of the port. ITOCHU CONSTRUCTION MACHINERY CO., LTD. is helping to extend the lifetimes of landfill sites by greatly reducing the volume of dredging soil, through provision of mechanical dehydration systems, the core of which is a PFP system that applies a massive four megapascals of filtration pressure. In addition, dredging soil can also be reused as a construction material after PFP system has been applied, and we intend to contribute to the creation of a recycling-oriented society by popularizing this method.

Masashi Waida

Shield & PFP Rental Department,
ITOCHU CONSTRUCTION MACHINERY CO., LTD.



ICT, Aerospace & Electronics Company CSR Action Plans and Report on Activities

CSR at this Division Company

Creating an affluent lifestyle through initiatives in new businesses

We practice CSR activities in line with the mission of our Division Company "Making people's lifestyle safer and more affluent through the development of new businesses in a wide scope of fields including IT, aerospace and industrial machinery."

Division	CSR tasks	FY2009 action plans	Status*
Aerospace & Industrial Systems Division	Improve convenience/safety in air transportation business area	<ul style="list-style-type: none"> Propose security equipment and system networks that satisfy the needs of airports, customs bureaus and other public service institutions, and provide such products to these facilities. Continuously conduct training on the National Public Service Ethics Act, and ensure that all employees are thoroughly informed of the observance of compliance. 	
	Promote environment-conserving businesses	<ul style="list-style-type: none"> Propose operations using eco-friendly turboprop aircraft made by ATR which are characterized by low fuel consumption, low CO₂ emissions and low noise. Take initiatives for the spread of secondary batteries with a low impact on the environment. 	
ICT & Media Division	Offer products and services that can contribute to the realization of a safe, reliable and affluent society	<ul style="list-style-type: none"> Provide IT solutions utilizing "green tech" and "green tech data centers." 	
	Realize businesses based on 3R philosophy	<ul style="list-style-type: none"> Continue activities for philosophy penetration through sales and brand development of MOTTAINAI products. Continue promotional measures to spread the insurance service for mobile phones, and consider the launch of a repair and recycling business for used mobile phones. 	

*: :Achieved :Nearly achieved :Unachieved

Reflections from the workshop to review CSR at Division Companies



Our Division Company runs environmentally conscious businesses, such as secondary batteries, green-tech businesses, and businesses that promote the 3Rs, but this workshop made us realize anew that these are the fields where we should work actively from the perspective of CSR as well. The industries that our company is involved with are continually creating new technologies and markets. Focusing on them, we plan to make an active commitment to resolving social issues as well.

Major CSR initiatives

Energy-conserving business initiatives using IT



Amid the current worldwide movement to reduce CO₂, Japanese companies subject to the revisions of the Act on the Rational Use of Energy are being required to carry out comprehensive energy-conservation measures. In October 2009, our division started offering "ecoFORTE" energy conservation services leveraging the expertise and technologies we have cultivated in our IT businesses. ecoFORTE reduces the workload of enterprises by offering concrete services to conserve energy via the Internet, such as management of energy usage and energy conservation analysis. We will continue to contribute to the realization of a low-carbon society by offering solutions that further improve energy savings.



Yoshiyuki Muramatsu

Manager, GreenTech Business Section, Information Technology Business Department

[Key points of our FY2010 CSR Action Plan]

We will proactively promote new business areas such as green tech, smart grid, and secondary batteries, adding to our existing initiatives, and provide environment-conserving products and services, thereby contributing to the realization of a safe, reliable, and affluent society.



Hiroo Inoue

President, ICT, Aerospace & Electronics Company

Business overview

The Division Company is engaged in a wide range of businesses including aircraft, industry machinery, IT services, Internet business, media contents, mobile business, etc.

Major products and services

Aircraft; defense and security related equipment; electronic system related equipment; IT related business; Internet, mobile, telephone related business

Major group companies

- ITOCHU AVIATION CO., LTD.
- JAPAN AEROSPACE CORPORATION
- ITOCHU Techno-Solutions Corporation
- ITC NETWORKS CORPORATION
- ITOCHU MACHINE-TECHNOS CORPORATION
- Excite Japan Co., Ltd.
- SPACE SHOWER NETWORKS INC.

FY2009 results

- Successfully received an order from Haneda Airport by actively providing proposals, and conducted intensive promotional activities to introduce the latest security system for Narita Airport.
- Enhanced the awareness of compliance issues and the importance of their observance among employees through department/section meetings.

- Conducted marketing and proposal activities to airline companies and local governments.
- Successfully received an order for a large project of secondary battery production facilities in the US.
- Participated in the joint pilot project with Tsukuba City regarding smart grid initiatives.

Launched the energy-saving solution services using IT technologies in full swing.

- Increased recognition of the MOTTAINAI brand by opening MOTTAINAI Shop, as well as enhancing sales and distribution channels for eco-point products.
- Increased members of the insurance service for mobile phones.

FY2010 action plans

Focus on world trends in security systems including new technologies, and continue marketing and proposal activities to introduce new security systems to airports, customs bureaus, and police stations.

- Continuously conduct marketing and proposal activities to airline companies and local governments.
- Continuously conduct sales promotion of secondary battery production facilities.
- Establish a new business aiming for the widespread use of secondary batteries.

Enhance the range of services in the energy-saving solution business, and take initiatives to acquire new customers.

- Continuously take initiatives to disseminate the concept of MOTTAINAI into everyone's life style.
- Continuously take promotional measures to spread the insurance service for mobile phones.

CSR initiatives by major group companies ①

The link between community contribution activities and winning customers

Award ceremony for community contribution activities at New Year's gathering



ITC NETWORKS CORPORATION (ITCN) carries out company-wide activities to conserve the environment, such as collecting used mobile phones and PET bottle caps. ITCN also conducts cleanups around its "carrier shops" and other sites nationwide, as well as holding job-experience programs for elementary school children and mobile-phone classes for the elderly. In the 2009 in-house awards for activities that contribute to local communities, the management received 89 richly varied applications, including activities relating to mobile-phone sales and purely volunteer activities. The company awarded two outstanding performance awards and eleven "fighting spirit" awards. ITCN policy is to proactively advance a wide range of activities, in order to win new customers and build customer loyalty through recognition by the community as a good corporate citizen.

ITC NETWORKS CORPORATION

CSR initiatives by major group companies ②

Reducing power consumption and costs through virtualization technologies



ITOCHU Techno-Solutions Corporation (CTC) is strengthening its commitment to green IT solutions that enable its customers to reduce power consumption and costs. As one method for achieving this, it is using a virtualization technology, which enables a single server to be used just as if it were multiple servers. In April 2008, CTC began offering a cloud service called "TechnoCUVIC," which is a shared hosting service using the virtualization technology. This innovative service is generating a great deal of buzz in the industry, and is being used by many customers, because it allows customers to use the servers and other IT equipment that they need, when they need it, without having to actually own the equipment.

ITOCHU Techno-Solutions Corporation

Energy, Metals & Minerals Company CSR Action Plans and Report on Activities

Promoting CSR through the development and stable supply of resources and energy

CSR at this Division Company

We promote CSR with the entire ITOCHU Group, while pursuing the following missions: 1) development and stable supply of resources and energy; 2) development of new energy that are kind to the earth; and 3) initiatives for recycling-related businesses.

Division	CSR tasks	FY2009 action plans	Status*
All divisions	Promote CSR education at overseas group companies	Examine and check supply chains, conduct environmental enlightenment activities for business partners, enhance CSR education activities at overseas group companies to raise their awareness.	
New Energy Department	Contribute to projects for reduction of greenhouse gas emissions	Make a strategic move to provide a stable supply of energies with a low impact on the environment, by building and promoting a range of environment-conserving businesses, as well as participating in uranium mine development projects.	
Metals & Minerals Division	Recycle and recover resources from recyclable waste appropriately	Provide lectures on safety in mining and exploration businesses for employees involved, check operation conditions at work site, prepare for the waste flow control system as well as the introduction of an electronic manifest system, monitor and review the flow control of fluorocarbons (CFC), etc.	
Energy Division	Prevent tanker accidents and ensure a swift and appropriate response to emergencies	Provide employee training to prevent accidents, appeal to operators for the practice of eco-conscious initiatives through administrative/environmental meetings, communicate with and contribute to local communities in the project areas, etc.	

*: :Achieved :Nearly achieved :Unachieved

Reflections from the workshop to review CSR at Division Companies



Our goal for the company is to balance CSR between proactive and protective efforts. Our proactive CSR efforts are such environmentally conscious businesses as businesses using clean development mechanisms (CDM); new-energy initiatives such as biofuel and nuclear fuel; and scrap and other recycling businesses. Meanwhile, our protective CSR efforts are aimed at performing our obligations as a business operator and maintaining a balance with society, such as environmental conservation when developing resources, shipping via tankers and the like, and making contributions to local communities.

Major CSR initiatives ① Health, safety, and environmental awareness in petroleum development

Petroleum development in Azerbaijan



There is currently much talk about ocean pollution due to petroleum accidents, and the public is turning an extremely critical eye toward measures against petroleum and gas-development accidents. At ITOCHU Corporation, we have long been active in calling on the partners in each of the petroleum and gas-development projects we participate in to enhance their health, safety, and environment (HSE) activities. More recently, in March 2010 our wholly owned subsidiary ITOCHU Oil Exploration Co., Ltd. created its own HSE standard in order to further strengthen these measures. Through this standard, the entire ITOCHU Group will advance businesses with strong measures to continually raise the awareness of everyone involved with such projects regarding health, safety, and the environment in the local community.

Exploration & Production Department

[Key points of our FY2010 CSR Action Plan]

As a global enterprise, we strive to improve our environment management system in Japan as well as at overseas group companies, and take on challenges of environment-friendly business practices. In addition, we will continue to conduct CSR education and training for our employees to raise their awareness.

Business overview
The Division Company aims at contributing to the development of the world economy and conservation of the environment, by providing a stable supply of resources and energies through business investment and trading.

Major products and services
Crude oil; petroleum products; LPG; LNG; nuclear fuel; Dimethyl ether (DME); bio fuel; iron ore; coal; aluminum; steel scrap; steel products

Major group companies

- ITOCHU Metals Corporation
- ITOCHU Minerals & Energy of Australia Pty Ltd
- ITOCHU Oil Exploration Co., Ltd.
- Marubeni-Itochu Steel Inc.
- ITOCHU ENEX CO., LTD.



Yoichi Kobayashi
President, Energy, Metals & Minerals Company

FY2009 results

Carried out checks of supply chains for each business with check lists, delivered letters to business partners to ask for environmental conservation, and distributed CSR reports to overseas group companies to raise their awareness.

Successfully advanced the biomass, bioethanol, and ESCO businesses, started the feasibility study of the uranium mine development project in West Australia, and acquired a stake in a large uranium mine project in Namibia, Africa.

Provided lectures on resource developments to employees, confirmed operation guidelines at work site, placed an order for an electronic manifest system, and implemented regular reports from CFC operators to check there was no problem.

Conducted employee training to prevent accidents, communicated with business partners to confirm their activities giving proper consideration to occupational safety and health as well as the environment, made social contributions to local communities such as providing personal computers to children in orphanages in Azerbaijan.

FY2010 action plans

[For further strengthening the supply chain management and advancing CSR initiative at a group-wide level] Examine and check supply chains, conduct environmental enlightenment activities for business partners, enhance CSR education activities at overseas group companies to raise their awareness.

[For exploring environment-friendly energies and providing a stable supply of them] Further make efforts to provide a stable supply of energies with a low impact on the environment, by building and promoting a range of environment-conserving businesses, participating in uranium mine development projects, and exploring other new projects.

[For ensuring safety in mining and exploration businesses, appropriate treatment of wastes, and prevention of ozone destruction] Provide lectures on safety in mining and exploration businesses for employees involved, check operation conditions at work site, implement the waste flow control system and an electronic manifest system, and monitor and review the flow control of fluorocarbons (CFC), etc.

[For promoting initiatives to prevent accidents and protect the environment effectively, and contributing to local communities] Further enhance employee training to prevent accidents, appeal to operators for the practice of eco-conscious initiatives through administrative and environmental meetings, communicate with and contribute to local communities in the project areas, etc.

Major CSR initiatives 2
Reducing greenhouse gases through biomass fuels



ITOCHU Corporation has created a joint venture with Malaysia's FELDA, the world's largest palm-oil manufacturer, to manufacture solid biomass fuel (EFB pellets), using refuse from the palm oil-pressing process. Once manufactured, the venture plans to deliver the EFB pellets to electric power companies in Japan, to be used as a substitute for coal in coal-fired power generation boilers. This innovative attempt to convert waste material into fuel is the world's first introduction of EFB pellets on a commercial scale. Our division is helping to resolve the issue of global warming through the introduction of biomass fuels.



Yasuji Maeda
Deputy Manager, Environmental Business Office, New Energy Department

CSR initiatives by major group companies

Community partnerships in Australian business

2009 award ceremony in Newman, Australia



IMEA is currently operating six joint iron-ore production ventures in Western Australia. Through these businesses, it is vital for us not only to contribute to the local economy, but also to form partnerships with the local communities in which our businesses are operated. As part of this effort, we established the ITOCHU Junior Sports Award. This program, which has been running for over 10 years, provides trophies and cash prizes to the most outstanding athletes 18 years or younger and their teams, at two locations in our operations areas.



Yasushi Fukumura
ITOCHU Minerals & Energy of Australia Pty Ltd (IMEA)

Chemicals, Forest Products & General Merchandise Company CSR Action Plans and Report on Activities

Promoting the protection of the natural environment and the safety management of chemical substances

CSR at this Division Company

We constantly strive to improve the quality and safety of our products in a broad scope of business areas, and ensure a smooth and stable supply of products and services which precisely respond to the needs of our customers, whilst giving maximum consideration to the environment, thus contributing to everyone's quality of life.

Division	CSR tasks	FY2009 action plans	Status*
Forest Products & General Merchandise Division	Enhance the traceability of raw materials and ensure the observance of labor laws and regulations	Further review the contents of questionnaires for suppliers, select suppliers subject to surveys, and conduct the questionnaire surveys and visiting surveys to them.	
	Handle internationally certified forest products as well as health-safe products	<ul style="list-style-type: none"> ● Increase the ratio of certified materials handled, and request non-certified suppliers to acquire certifications. ● Expand lineups and supply chain capacity of low-formaldehyde products (MDF) within group companies. 	
Chemicals Division	Comply with chemical-related laws and regulations	<ul style="list-style-type: none"> ● Host seminars on chemical-related laws and regulations for employees across the entire division in order to raise their awareness towards legal compliance. ● Continuously take measures to respond to the EU REACH regulations. 	
	Procure safe and reliable products	Confirm status of ISO certification for new manufacturers and manage data on properties of newly handled products.	

*: :Achieved :Nearly achieved :Unachieved

Reflections from the workshop to review CSR at Division Companies



In our company, it is vital for us to maintain a shared awareness of the global environment and working conditions with our suppliers. This is because we carry consumable products that are largely related to forest resources, and chemical products that require great care in safety management. For this reason, we send CSR questionnaires to a wide range of our suppliers, and use these as an indicator to help ascertain conditions at our business partners and select suppliers. We also actively advance green material and product initiatives.

Major CSR initiatives ① Contributing to a resource recycling oriented society

Acacia tree farm in Malaysia (Daiken Sarawak Sdn. Bhd.)



Our Forest Products & General Merchandise Division focuses on carrying medium-density fiber (MDF) board, in order to use forest resources effectively and in an environmentally conscious way. We manufacture MDF board jointly with DAIKEN CORPORATION at three overseas sites. We are building a product-supply system predicated on resource recycling. This includes initiatives to make maximum use of waste wood as a raw material, as well as to increase the usage of forest-certified trees by planting about 5,000 ha of trees in Malaysia.



Tomoaki Kato

General Manager, Wood Products & Materials Department, Forest Products & General Merchandise Division



[Key points of our FY2010 CSR Action Plan]

We focus on the handling of certified pulp and lithium battery related goods, as they are environment-conserving materials. We also strive to ensure the traceability of raw materials by conducting questionnaire surveys for suppliers, and improve awareness toward the safety management of chemical goods through employee education and training.

Business overview
The Division Company handles various materials in the consumer-related sector focusing on housing and living, as well as a wide range of chemical related products including medical products and electronic materials.

Major products and services
Housing materials; logs and lumber; woodchips, pulp and paper; crude rubber and tires; shoes; organic chemicals; inorganic chemicals; plastics; consumer-related products

- Major group companies**
- ITOCHU KENZAI CORPORATION
 - ITOCHU PULP & PAPER CORP.
 - ITOCHU CHEMICAL FRONTIER Corporation
 - ITOCHU PLASTICS INC.
 - C. I. Kasei Company, Limited
 - DAIKEN CORPORATION
 - Takiron Co., Ltd.



Satoshi Kikuchi

President, Chemicals, Forest Products & General Merchandise Company

FY2009 results

Partly revised the contents of our questionnaires in terms of labor issues, and conducted questionnaire surveys for 79 companies, and visiting surveys for 60 companies.

- Increased the ratio of certified pulp handled by 13% from the previous year to 86%.
- Expanded lineups of low-formaldehyde products by 16% in the first half, and by 21% in the second half, from the previous year respectively.
- Hosted seminars by outside professionals concerning REACH and the Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc. (one seminar in Osaka, two in Tokyo), with 570 participants from other companies and subsidiaries.
- Continuously discussed with manufactures, to handle the situations after pre-registration by their branches in Europe.

Reviewed the status of certification documents such as Material Safety Data Sheets (MSDS) of manufactures, and managed them appropriately, in addition to confirmation of ISO certification status of major business partners.

FY2010 action plans

Further update the contents of questionnaires, and conduct questionnaire surveys. Continuously conduct a regular visit to business partners for surveys, and update their data.

- Increase the ratio of certified materials handled, by continuously requesting non-certified suppliers to acquire certifications.
- Continuously expand lineups and supply chain capacity of low-formaldehyde products with business partners.
- Host seminars on the Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc., to raise awareness toward chemical-related laws and regulations and the importance of observance across the entire division.
- Continuously take measures to respond to the EU REACH regulations.

New Promotion of environment-conserving businesses
Expand lineups of lithium-ion battery related materials and parts.

Major CSR initiatives ②

Seminar for understanding chemical laws and regulations

Our Chemicals division carries a large range of products, from basic chemicals, to synthetic resins, electronic materials, and pharmaceutical raw materials, which fall under many regulations and accompanying work requirements. Every year, we invite outside instructors to hold seminars for all employees in the division, in order to enable us to comply with these laws and regulations, and requirements appropriately. We also contract with expert chemical consultants, and have created a system whereby we can obtain the views of experts at any time we have questions about legal regulations. Chemical regulation frameworks are being established and reinforced on a global scale, including Japan's revised Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc., and Europe's REACH regulations. Amid these

circumstances, we are creating an environment where each employee in our division can obtain necessary knowledge of relevant laws and regulations and carry out his or her duties in compliance with them.

Tatsuo Tsujimoto
Manager, Chemical Planning & Coordinating Section, Chemicals Division



CSR initiatives by major group companies

Promoting the protection of water resources and resource recycling

ITC Green & Water Corp. has been working for some 30 years to develop and improve technologies for cleaning organic effluent such as livestock wastewater. The company has leveraged its expertise in wastewater treatment to create a new business with a system for improving substratum and water quality in dam reservoirs and ports that have become polluted due to oxygen depletion. The company also operates an environmental solutions business that contributes to resource recycling with its integrated treatment system, from wastewater treatment to



Compound lagoon for livestock

making effective use of sludge. One example is an initiative to compact organic sludge, which had conventionally been treated as waste, and compost/convert it into fuel.





ITC Green & Water Corp.




Food Company CSR Action Plans and Report on Activities

Responding to the needs of consumers and society with environmental consideration

CSR at this Division Company

We aim to practice good businesses that can contribute to society, by ensuring a stable supply of safe products, checking multiple aspects of food safety, and at the same time, consider environmental preservation. In this manner, we strive to earn the trust of our customers and local communities.

Division	CSR tasks	FY2009 action plans	Status*
All divisions	Enhance systems relating to food safety and compliance	1) Ensure the observance of food safety management manuals, and establish and confirm the compliance system in each department. 2) Create a framework of the Food Company centered on food inspection and consulting companies.	
Provisions Division	Ensure a stable supply of safe and reliable raw materials	<ul style="list-style-type: none"> Continually grasp situation at production sites and share information with business partners. Promote food-resource procurement businesses. 	
Fresh Food & Food Business Solutions Division	Improve and strengthen the management system for production bases inside and outside Japan	Continue audits at all overseas plants and raise the level of audits (extract problems to be addressed, and implement measures for them).	
Food Products Marketing & Distribution Division	Improve stability and efficiency by sharing information through all processes from intermediate distribution to retailing	<ul style="list-style-type: none"> Expand the number of companies working on data that connects consumers → retailers → wholesalers → manufacturers. Utilize data to propose the reduction of loss and inventories. 	

*: :Achieved :Nearly achieved :Unachieved

Reflections from the workshop to review CSR at Division Companies



The workshop brought together CSR representatives from each division. It was a good opportunity to share information on concrete CSR actions and other topics. We also reconfirmed that the key CSR and social challenges on which the Food Company should tackle through its main business are: (1) supply chain management in order to provide safe and reliable products; (2) food-safety checking functions; (3) a stable supply of food with awareness of worldwide food demand; and (4) response to environmental and waste issues.

Major CSR initiatives ① Providing a stable food supply to Asian countries

Conceptual drawing of completed terminal



As populations grow and their income levels rise, especially in China and the rest of Asia, further rises in demand for grains are expected. There is also increasing demand for grain quality and traceability in Japan and other countries, in order to meet consumer needs for safe and reliable food in the future. We have responded actively to these needs: ITOCHU Corporation has built a new high-efficiency grain-export terminal in Longview, in the US state of Washington, which will contribute to the stable world supply of grains. The terminal is scheduled to begin operations in July 2011.



Toru Nishizaka
Grain Section,
Grain & Feed Department



[Key points of our FY2010 CSR Action Plan]

We strive to establish a framework for ensuring food safety, and conduct investment activities for a stable supply of food. To further improve the efficiency of our operation, we plan to implement several measures such as sharing of information with stakeholders, educational trainings, and other cooperative initiatives.

Business overview

The Division Company is engaged in food businesses in the value chain that extend from food resource development in Japan and overseas, production and processing, through to intermediate distribution and retailing.

Major products and services

Grain; ingredients for animal feed; fat and oil; sugar; beverages; dairy; agricultural, livestock, and marine products; frozen and processed foods; other food products

Major group companies

- ITOCHU-SHOKUHIN Co., Ltd.
- NIPPON ACCESS, INC.
- Japan Foods Co., Ltd.
- FUJI OIL CO., LTD.
- FamilyMart Co., Ltd.
- YOSHINOYA HOLDINGS CO., LTD.
- YAYOI FOODS CO., LTD.



Yoshihisa Aoki
President, Food Company

FY2009 results

- 1) Visited around departments and offices, checked the status of their operation management in May, and implemented food safety audits in November.
- 2) Conducted market surveys in Japan and China, selected food inspection centers to cooperate, and established the flow chart of inspection systems.

- 1) Ensured a stable supply of wheat, corn, and soya beans; launched construction of a new grain export terminal in the US which has been progressing steadily.
- 2) Ensured a stable supply of dairy products; executed the investment in an Australian dairy production manufacturer.

Implemented audits at all overseas plants. The number of plants in China declined from 49 in 2008 to 40 (including new 7 plants) in 2009 as a result of streamlining. Conducted surveys to check the audit status at business departments in order to improve the accuracy of operations.

Continued strategic cooperation with Uny Co., Ltd., JOIS Co., LTD., and Izumiya Co., Ltd. The number of cooperative manufacturers increased steadily.

FY2010 action plans

- 1) Enhance checking functions of compliance and implement audits for food safety and compliance.
- 2) Establish a sustainable food inspection system in Japan and China, and strengthen the stable supply system of safe and reliable food.

- 1) Establish a stable supply system; promote food-resource procurement businesses.
- 2) Ensure the safety of food-resource; share information with business partners and discuss improvement items.

Propose measures to improve the accuracy and effectiveness of plant audits, and work on the execution of such measures (conduct training for auditors who audit plants, accompany with auditors when they audit plants, etc.).

Continuously expand the number of companies working on data. Continuously propose possible measures to reduce loss and inventories to retailers.

Major CSR initiatives ②
Initiatives to develop products meeting consumer needs

Product displays at a FamilyMart convenience store



As metabolic syndrome and other lifestyle diseases gain attention, our office was quick to note the increased health consciousness of consumers. In 2007, we have launched a health promotion project, "Karada Smile Project," which jointly develops products with serious consideration for physical health and wellbeing. This project focuses on developing products that meet consumer needs, in partnership with ingredient makers, food manufacturers, and multiple retailers. The project selects concepts based on consumer marketing, and offers a successive line of products with high added value, such as reduced-calorie bread and fiber-enriched yogurt.

Tokuko Metani

General Manager, Food Products Marketing & Development Office



CSR initiatives by major group companies

Eco-Mottainai initiatives

Food wholesaler ITOCHU-SHOKUHIN Co., Ltd. has introduced a new marketing concept for "mottainai products" (mottainai is the Japanese word for "wasteful"); products by food manufacturers that can no longer be distributed smoothly (examples include products that have been manufactured in excessive quantities, or products that still have not reached their expiration dates, but cannot be sold in the market because they have been changed or discontinued). It sells these "mottainai products" to Internet and mobile sites via its EC site "Eco-Mottainai.com." The company intends to keep contributing to society through "Eco-Mottainai.com," by reducing loss of sales opportunities and loss from waste.






Conceptual image of Eco-Mottainai

ITOCHU-SHOKUHIN Co., Ltd.

Finance, Realty, Insurance & Logistics Services Company CSR Action Plans and Report on Activities

CSR at this Division Company Offering service functions full of creativity

As a Division Company providing services and solutions in the fields of finance, realty, insurance and logistics, we strive to offer highly transparent and reliable products and services for higher customer satisfaction.

Division	CSR tasks	FY2009 action plans	Status ^{*1}
Financial & Insurance Services Division	Establish channels with local communities and explore potential needs of customers	Carefully examine and select projects, while exploring new financing opportunities.	
Construction & Realty Division	Supply quality housing with emphasis on safety and security	Strive to provide good-quality homes through thorough observation of related laws and regulations by reliable execution of measures to strengthen control of the construction and realty group, and through checks of the observation status by the "Project Inspection Meeting" (twice per six month).	
Logistics Services Division	Contribute to the improvement of social overhead capital in newly industrializing countries through building of logistics infrastructure and increase the level of customer satisfaction	Review and make proposals on restructuring and integration of the logistics business in China, by integrating with i-LOGISTICS CORP., to build an efficient and rational logistics scheme within China.	

*1: :Achieved :Nearly achieved :Unachieved

Reflections from the workshop to review CSR at Division Companies



We mainly discussed CSR in the fields of construction and real estate. There are two general types of CSR: "proactive" and "protective." The concept of "protective" CSR, our basic stance, is based on legal compliance, and focuses on offering safe, reliable, and high-quality products and services. "Proactive" CSR is a persistent and continual effort of trial and error, while predicting needs, due to the wide variety of ways that economic added value is evaluated, depending on the field, country, and other factors.

Major CSR initiatives ①

**IXINAL
Monzen-Nakacho
office building
obtained A-rank
CASBEE certification**



IXINAL Monzen-Nakacho office building

A property in Tokyo's Koto Ward developed by the ITOCHU Group has obtained A-Rank CASBEE certification. CASBEE is a system developed under Japan's Ministry of Land, Infrastructure and Transport (MLIT) for comprehensive environmental assessments of construction. CASBEE certifies green buildings, and this certification is a key element of socially responsible property investment (RPI). Although RPI is still in the developing stages worldwide, we believe that we should form an active commitment to this field.



Eisuke Kawanishi

Construction & Realty Section No.2,
Construction & Realty Department No.1

[Key points of our FY2010 CSR Action Plan]

We strive to offer safe and reliable products and services that can obtain higher customer satisfaction. At the same time, we try to contribute to local communities with credit insurance services and PFI*2 business, and promote environment-conserving businesses through the development of housing and offices, logistics services, etc.

Business overview
We offer high value-added products and services by combining various functions in the fields of finance, realty, insurance and logistics.

Major products and services
Foreign exchange; credit card business; fund business; insurance agent business; real estate securitization business; housing-related business; international general logistics

Major group companies

- ITOCHU Finance Corporation
- Orient Corporation
- ITOCHU PROPERTY DEVELOPMENT, LTD.
- ITOCHU Urban Community Ltd.
- CENTURY 21 REAL ESTATE OF JAPAN LTD.
- ITOCHU LOGISTICS CORP.



Kenji Okada

President, Finance, Realty, Insurance & Logistics Services Company

*2 PFI (Private Finance Initiative): Projects in which private-sector capital, technological capabilities, and operational expertise are used for the design, construction, maintenance, management, and operation of public facilities.

FY2009 results

ITOCHU Finance Corporation made contributions to local small- and mid-sized companies, through conventional financing services, as well as other services such as mezzanine financing, factoring, ABL (asset based lending), etc.

Implemented checking of observation status of related laws and regulations by the Project Inspection Meeting and Transaction Review Meeting. The status of observation posed no problem. Continued to enhance quality control and compliance systems.

i-LOGISTICS CORP (current ITOCHU LOGISTICS CORP.) became a wholly-owned subsidiary through TOB. By integrating its operation, launched restructuring and integration of businesses in China. Specific proposals are now under review.

FY2010 action plans

Continuously implement the action plan announced in fiscal 2009.

Ensure observation of related laws and regulations, and implement checking of the observation status by the Project Inspection Meeting and Transaction Review Meeting. Provide quality housing based on the "Master Specification" (to be reviewed once a year) as well as focusing on customer satisfaction.

Implement restructuring and integration of logistics businesses in China by integrating operation with ITOCHU LOGISTICS CORP. Establish an efficient logistics scheme within China and contribute to local community from logistics aspects.

Major CSR initiatives ②

Contributions to local communities in overseas distribution business

Chengdu Tingtong Distribution Center



Logistics Services Division develop logistics business in Asian countries. In China in particular, we have 80 facilities nationwide, which develop one of the top Japanese-owned logistics networks, centered on logistics firms ITOCHU LOGISTICS (CHINA) CO., LTD (Former: BEIJING PACIFIC LOGISTICS CO., LTD) and Tingtong Logistics Co., Ltd. We are using this network to build a distribution network into the continental interior, expanding business opportunities for our company and our clients, while contributing to local communities in terms of logistics. When the Great Sichuan Earthquake struck in 2008, we used our Chengdu Distribution Center as a base facility for transporting international relief materials and food relief to the towns around the hardest-hit regions. We further plan to expand our logistics network to India and Indonesia.

Reiko Ayabe

Logistics Solution Section No.1, Logistics Solution Department

CSR initiatives by major group companies

Credit insurance: Vitalizing local economies

Signing ceremony at the Saitama Chamber of Commerce and Industry



Although the number of corporate bankruptcies is lower than it was at one point, it remains high, and the total amount of debt continues to rise. In 2003, ITOCHU Orico Insurance Services Co., Ltd. and ITOCHU Corporation began a partnership with the Osaka Chamber of Commerce and Industry, offering products to hedge the credit risk of business partners (Group Transaction Credit Insurance Scheme) to business members of the Chamber of Commerce and Industry. Then in 2005, the company began partnering with various chambers of commerce and industry in Kansai and Western Japan, and currently has partnerships nationwide, including Niigata, Kanazawa, Sapporo, and Saitama. We are helping to vitalize local business and stabilize the management of local companies through the use of this system by local chambers of commerce and industry, whose members include large numbers of smaller businesses.

Kiyoshi Matsumoto

Deputy General Manager, Chief Marketing Officer's Office ITOCHU Orico Insurance Services Co., Ltd.

L-I-N-E-s*1

CSR Action Plans and Report on Activities

Implementing CSR activities through continuing efforts on construction and enhancement of new corporate-wide businesses

CSR at L-I-N-E-s

Through our new corporate-wide businesses including the solar business and healthcare business, we conduct CSR activities that can contribute to the development of society, while maintaining profits for the future society where a sustainable growth becomes an essential element.

*1 L-I-N-E-s: Life Care, Infrastructure, New Technologies & Materials, Environment & New Energy, synergy

Department/Office	CSR tasks	FY2009 action plans	Status*
Healthcare Business Department	<ul style="list-style-type: none"> Support preventive measures against H1N1 Address preventive healthcare 	<ul style="list-style-type: none"> Establish organizations to provide educational programs to local communities. Launch a business model for personal medical checkups by Wellness Communications Corporation. 	
Solar Business Department	<ul style="list-style-type: none"> Expand businesses relating to photovoltaic/solar thermal power generation 	<ul style="list-style-type: none"> Build a value chain in the solar power generation business. Start sales of modules and power generation systems in the major markets (the US, Europe, and Japan). 	
Innovative Technology Business Development Office	<ul style="list-style-type: none"> Contribute to society through advanced technology projects Promote environment-conserving businesses 	<ul style="list-style-type: none"> Review the sociality and usability of projects in the pioneering phase. Focus on business developments in the fields of clean technologies and healthcare. 	
Corporate Development Office	<ul style="list-style-type: none"> Promote environment-conserving businesses 	<ul style="list-style-type: none"> Establish a task force and a sectional committee relating to the major areas of secondary batteries and water at the corporate-wide level. Conduct research study by outside consultants. 	

*: :Achieved :Nearly achieved :Unachieved

Reflections from the workshop to review CSR at L-I-N-E-s



L-I-N-E-s has a close relationship with CSR. It carries out initiatives with a focus on building a low-carbon society, and business continuity planning (BCP) for pandemic influenza. Through this workshop, we held discussions with a focus on CSR. These discussions made us recognize anew that our organization's current business initiatives must be based on a long-term view, and that in order to do this, we must continue and expand our businesses while maintaining profitability.

Major CSR initiatives ①

Support for measures against H1N1



In October 2008, our Healthcare Business Department formed a corporate alliance called Japan Medical Partners together with companies specializing in various fields, with the goal of providing support for measures in local communities against new strains of flu. ITOCHU acts as the secretariat for the alliance, taking such actions as providing information in order to disseminate correct knowledge, and creating an emergency delivery system for equipment and materials in the event of a pandemic. Through these initiatives, we help keep people safe, protect their livelihoods, and contribute to local communities.

Tsutomu Sasazaki

Healthcare Business Section No.1,
Healthcare Business Department



[Key points of our FY2010 CSR Action Plan]

We continue to promote and enhance our new corporate-wide businesses. Under the medium-term management plan, Frontier[®] 2010, we will focus on the Life & Healthcare and the Environment & New Energy areas, thereby creating a CSR-conscious business culture across the Group.



Toshihito Tamba
Executive Vice President (LINES)

Business overview	Major products and services	Major group companies
The Life & Healthcare area, which comprises medical and health-related businesses; the Infrastructure area, focusing on functional/social infrastructures; the New Technologies & Materials area, mainly biotechnology and nanotechnology; and the Environment & New Energy area	Solar power related materials; modules; systems; medical materials and devices; products that prevent infectious diseases; services for pharmaceutical companies	<ul style="list-style-type: none"> ● Century Medical, Inc. ● ACRONET Corp. ● Wellness Communications Corporation ● Healthcare-Tech Corporation ● Ecosystem Japan Co., Ltd. ● Solar Depot, LLC ● SolarNet, LLC

FY2009 results

- Disseminated information on infectious diseases through the website of Japan Medical Partners, as well as in exhibitions and other events.
- Established an online booking system for medical checkups. Launched the sales of medical checkups together with the provision of healthcare information through membership organizations.
- Strengthened trading in the upstream sector.
- Continuously enhanced management by increasing investment in the existing SI (system integrator) business.
- Installed a solar power system on the roof of ITOCHU Tokyo headquarters building. This project has been designated as a grant-aid project by the Ministry of the Environment.
- Advanced initiatives relating to bio fuel, advanced materials, next-generation lighting, etc. in the field of clean technologies.
- Advanced initiatives relating to drug discovery, regeneration medicine, medical equipment, etc. in the field of healthcare.
- Further promoted second batteries for electric vehicles, storage of renewable energies such as solar power.
- Strengthened the value chain strategy for raw materials of second batteries.
- Launched an water business development team focusing on water supply and sewerage businesses inside and outside Japan.

FY2010 action plans

- Plan and host events in cooperation with local governments, provide more citizen oriented information, and create workshops.
- Review the degree of popularity and marketability of services, improve the contents of services and re-consider selecting business partners.
- Contribute to the production volume of high-efficiency, low-cost solar batteries, by expanding trading of high quality materials.
- Enhance marketing of safe and reliable power generation systems as well as construction processes of such systems.
- Contribute to the diffusion of solar power generation.
- Create and promote advanced technology projects that can be beneficial to society in the future, centered on the clean technologies and healthcare areas.
- Launch pilot projects smoothly.
- Start approach to targeting companies.

Major CSR initiatives ②
Solar Power Plant at ITOCHU Tokyo headquarters building



Solar panels on the roof of our Tokyo headquarters building

We are committed to popularizing solar-power systems in Japan and the world. In fiscal 2009, we installed solar power generation panels with a total generating capacity of 100kW on the roofs of ITOCHU Tokyo headquarters building, and the next-door CI Plaza building, with the help of Ecosystem Japan Co., Ltd. This system, called the ITOCHU Corporation Tokyo Headquarters Solar Power Plant, produces the equivalent of the amount of power used by 30 ordinary households. Employees and stakeholders can check the level of power generated with

the displays installed on the first and twenty-first floors of the headquarters, and the grounds of CI Plaza. We believe that this has increased understanding of solar power.

Atsuo Ishihara

Solar Business Section No.2,
Solar Business Department



Major CSR initiatives ③

Solasia Pharma develops antiemetic



Not yet launched in Japan

We have established Solasia Pharma K.K. together with the US-based MPM Capital, as an initiative to help promote human health through pharmaceuticals. The company is currently developing medicinal plasters to counter the nausea and vomiting caused by cancer chemotherapy, as a product candidate for Japan and China. One of the benefits of the plasters is that they are extremely easy to use: one plaster can control symptoms for several days. We will continue to actively

advance CSR activities, providing good pharmaceuticals with a focus on the Asian region.

Takashi Ono

Innovative Technology Business Development Office





Report on Overseas Activities

With 136 overseas bases, ITOCHU Corporation operates globally. Recently, there has been a growing demand for CSR outside of Japan as well, and we have responded by promoting CSR, creating and executing CSR action plans at our overseas bases.



Distomo solar park in Greece

Major CSR initiatives ① Solar business initiatives in Europe

Various European countries encourage the adoption of clean energy through subsidies and other incentives. Against the backdrop, we actively promote solar businesses

in the European bloc. Together with our local partners, we are investing in such solar power generation system integrators as Scatec Solar (Norway), Greenvision ambiente (Italy), Enolia Solar System (Greece), as well as solar parks in Greece, the Czech Republic, and elsewhere. In Greece, the Distomo 1.4 MW solar

park began operation in 2010, and we plan to invest in other power generation businesses of over 10 MW in total by the end of the year. Moving forward, we will continue to promote the widespread adoption of environment-friendly solar energy.



Ichiro Okura

Greek Office, ITOCHU Europe PLC



Freight railway route and development plan area

Major CSR initiatives ② India: Toward smart cities

ITOCHU Corporation has formed a consortium with Hitachi, Ltd. and five other companies. The consortium is now conducting a pre-feasibility study for the project to create smart cities between Delhi and Mumbai

using low-carbon, environment-friendly infrastructure. The study targets the Dahej region in the district of Bharuch, which is in the state of Gujarat, located in western India. The aim is to build next-generation power grids called "smart grids," drinking water and sewage treatment plants using water treatment membranes, wastewater recycling facilities, and industrial-waste recycling facilities, in this rapidly developing areas. The consortium includes ITOCHU Corporation; Hitachi, Ltd.; KYOCERA Corporation; The Tokyo Electric Power Company, Incorporated; Hyflux Ltd; EX CORPORATION Environmental & Urban Planning, Research and

Consulting; and the city of Kitakyushu, and aims to create environment-friendly cities, reflecting the expertise of the consortium in smart-city construction. As India builds a dedicated freight railway line between Delhi and Mumbai, it is planning roughly 300 infrastructure projects, worth a total of \$90 billion, centered on 24 cities along the railway.

Nawaru Kutsuzawa (left in photo)

Business Development and Investment Office, ITOCHU India Pvt. Ltd.

Tarun Khanna (right in photo)

Machinery Department, ITOCHU India Pvt. Ltd.



NY headquarter office of ITOCHU International Inc. (III)
The logo is LEED Silver Certification

Major CSR initiatives ③ New office in New York awarded LEED*1 certification

ITOCHU International Inc. (III) has renovated its New York City headquarter office from 2007 to 2009, giving the greatest possible attention to reducing greenhouse-gas emissions and improving the

environment. The company recycled 80% of construction waste, and made it possible to reduce annual water usage by 33% through the use of water-efficient facilities and waterless urinals, saving 1.2 million liters of water. III also purchased Renewable Energy Credits (RECs*2) equivalent to two years of its electricity usage, reducing CO₂ emissions by 1,100 tons per year. This is equivalent to the annual CO₂ emissions of 120 households from electricity usage. The purchase of RECs also

helps to popularize and increase the adoption of renewable energy.

After its completion of renovation in June 2009, the new office space was awarded the prestigious LEED Silver Certification by the U.S. Green Building Council.

*1 LEED (Leadership in Energy and Environmental Design): The largest system in the United States for evaluating green building design, construction, and operations.

*2 RECs (Renewable Energy Credits): III indirectly uses electric power generated from such forms of natural energy as wind, biomass, small- and medium-sized hydropower and geothermal.



George Sprance

ITOCHU International Inc.