

President's Commitment



Expanding Corporate Value by Creating Solutions for Social Issues

Looking at corporate value from a broader perspective, in the future, corporate management will need to share viewpoints and values with society. In particular, as a general trading company, we will be expected to contribute to resolving social issues by seamlessly linking our products and services, accumulated know-how, and markets on a global scale. For ITOCHU, helping to solve social issues through its core business will become a strength that helps us to succeed in global competition in the long term.

ITOCHU founder Chubei Itoh I (1842-1903) held onto the Buddhist spirit as his management ethos. His words, "Trading is compassionate business. It is noble when it accords with the spirit of Buddha by profiting those who sell and those who buy and supplying the needs of society" had advocated the role of commerce to contribute to society. This is in line with the management philosophy of sampo yoshi (Good for the seller, Good for the buyer, and Good for society) that Chubei and other Ohmi merchants had embraced. Today, more than 150 years after its foundation, ITOCHU remains true to the spirit of sampo yoshi and is fulfilling its corporate philosophy of "Committed to the Global Good" as it conducts its business activities in front-line business settings around the world. In part to demonstrate our consistent embodiment of this corporate philosophy in international society, ITOCHU has participated in the United Nations Global Compact since 2009.

We are pursuing initiatives targeting the resolution of social issues through our core business activities. These include the Pre Organic Cotton Program, which supports cotton farmers in India during the transition period to organic cultivation. This program was approved as an initiative of Business Call to Action (BCtA) in August 2012. BCtA, a global initiative hosted at the United Nations Development Programme (UNDP), promotes businesses that aim to achieve both commercial success and sustainable development. To further broaden these types of initiatives, we will strive to build an environment through fostering rigorous implementation of a front-line approach. This environment will encourage each and every employee to take a step further from the work at hand, to take broader perspectives of customers, industry, and society in addressing issues, and to do their utmost to generate solution-focused action.

Developing Industry Experts and Encouraging Diverse Human Resources Development

A general trading company's people are its greatest management resource, and they are an important management platform that supports its growth. The human resources who support our business activities should strive not to be generalists but to be industry professionals with advanced expertise in specific areas. For example, even if staff in Division Companies have experience and knowledge in a wide range of areas, with this superficial knowledge they cannot do business on an equal footing with customers who have decades of experience in specific areas. In other words, without a "trunk" there are no "branches." Human resources who accumulate experience in a single organizational unit and learn the keys to success for business activities in that area are essential for general trading companies, which must operate in business conditions that are increasingly difficult with each year. If employees become experts in the business of a single industry, I believe that they will also be able to apply that expertise to other areas as well. That is why I encourage our people to develop that kind of depth.

ITOCHU has also sought to develop and deploy diverse human resources. Indeed, under our new medium-term management plan, one of our human resource policies is to "support the further development of female role models in the career track." In April 2013, ITOCHU became the first general trading company to appoint a female executive officer. By providing meticulous career support for diverse human resources, we will continue to support and promote additional role models and to support female employees who are leaders of the future.

An era in which companies must show their true value

The emergence and globalization of information technology can instantly alter the balance of power and upturn conventional wisdom around the world. The world now moves at an unprecedented speed. In this era of rapid change, ITOCHU, as a general trading company, is in a position to harness its management resources and view opportunities and risks from a broad perspective. I believe our role in international society will continue to grow in importance.

Even in this new era, however, I still believe that a company must retain its true value. ITOCHU has been able to sustain and develop its operations for more than 150 years because it always maintained the notion of "Sharing values with society" – represented by the sampo yoshi spirit – at the core of its operations. I want to again instill this value in all of our employees worldwide and create a corporate culture that defines each individual employee as playing a leading role in resolving social issues.

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