

President's Commitment



M. Okafuji

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Infinite Missions for Sustainable Growth

Our Neverending Mission

Since our founding in 1858 by Chubei Itoh, ITOCHU Corporation has conducted business grounded Sampo Yoshi^{*1}, the spirit of the Ohmi merchant^{*2}. Our mission is not simply to earn profits, but respond to the needs of an ever-changing society and provide enrichment that transcends commerce. Embracing "Committed to the Global Good" as part of our corporate philosophy, we seek to grow together with society. In 2014, we adopted the corporate message, "I am One with Infinite Missions". This phrase embodies our commitment to this corporate philosophy and our commitment to society. To demonstrate our intent to honor this approach to the international society, since 2009 we have participated in the UN Global Compact.

Initiatives for New Workstyles and a New Corporate Culture

In FY 2017, we achieved a record high for net income attributable to owners of parent. This achievement is the result of our ability to eliminate concerns about the future, of management succeeding in solidifying our foundation, and our success in building an income platform for stable profits. In addition to these efforts to create a solid foundation and improve our existing businesses, this achievement is also the result of the efforts of our employees, who have worked tirelessly without ever letting pride cloud their mission or their commitment. As a major general trading company, in order for us to generate sustainable profits befitting of one of the two giants of the industry while operating with the smallest workforce among trading companies, it is vital that we establish a work environment that continuously promotes increased productivity among employees. To this purpose, Itochu has been a pioneer in the field of initiatives related to new workstyles and new corporate culture. Outlining these initiatives in our management strategy, we were one of the first companies to introduce morning-focused working system and health management.

Through such initiatives, we work to ensure the mental and physical health of each of our employees and their ability to work in their respective positions as merchants who are always focused on the needs of the customer. In the area of corporate governance, in FY 2018, we increased our ratio of outside directors to one-third or more of the total number of directors. While being careful to ensure that our Board of Directors does not lose touch with our business initiatives, we are proactively promoting the separation of business management and business supervision.

Sustainable Growth, Together with Society

With the Sustainable Development Goals (SDGs) adopted by the United Nations and the conclusion of the Paris Agreement, an international level high expectations are being placed on corporations in terms of their involvement in resolving social issues. This way of thinking is well-aligned with the spirit of the Omi merchants and their philosophy of "Sampo Yoshi", the ideal that business should be good for the buyer, good for the seller, and good for society. The subtitle of for FY 2018, the final year of our Medium-Term Management Plan Brand-new Deal 2017, is "Infinite Missions Transcending Growth". While putting this philosophy of "Sampo Yoshi" into action in our corporate management, in order to Medium-Term Management clearly position sustainable growth as the Company's mission we have adopted the phrase of "Infinite Missions Transcending Growth" to emphasize our strong commitment to sustainable increases—not necessarily quantitatively—in overall corporate value.

As our business domains expand and grow in complexity, Itochu seeks to go beyond building a framework that enables us to avoid imparting a burden on the environment or society. Through efforts such as responding to climate change through our renewable energy business, we will use our business knowhow and global network to fulfill infinite missions for society. At the same time, we will achieve sustainable growth in order to continue meeting the expectations of our stakeholders.

*1 Sampo Yoshi literally means "all good in three directions" with the three directions in this philosophy referring to the trinity comprising the seller, the buyer, and the society.

*2 The region Ohmi is represented by modern-day Shiga Prefecture. As early as the 12th century, merchants of Ohmi traded in all kinds of goods and were at the key figures in trade and commerce up to the early 20th century.