

# CSR for ITOCHU Corporation

ITOCHU Corporation is pursuing multi-faceted corporate activities in various regions of the world and a wide range of fields, and as such, ITOCHU is well aware of how significant its impact on society is.

In April 2009, ITOCHU joined the United Nations' Global Compact. We will continue to contribute to building sustainable societies through our business activities, "Committed to the Global Good" also in the future.

## Basic perspectives on CSR at ITOCHU

The unprecedented worldwide recession, triggered by the financial crisis in the US in autumn 2008, casts even more light on the various problems lingering in our present society, global warming and other environmental problems as well as social and other issues.

In this situation, the corporate sector, being the driving force of economic activities, is strongly required to contribute to solutions of these problems in cooperation with the public sector and the citizen sector.

ITOCHU Corporation believes that CSR means that a company acts while asking itself how it can fulfill its role for the development of a sustainable society through its corporate activities. Our work only becomes a long-term asset of our company when society recognizes its meaning. We believe that our mission is to fulfill our Corporate Social Responsibility as a global enterprise, always working from the viewpoint of whether we are contributing to the countries of the world and to society.

## The roots of CSR, *sampo yoshi*

The founding of ITOCHU Corporation can be traced back to as far as 1858 when our founder Chubei Itoh started a wholesale business for linen. Chubei based his business on the spirit of *sampo yoshi*, a management philosophy of the merchants in Ohmi, where he was born. This philosophy is the origin of our present CSR, which stipulates that "companies should do business that is balanced among multiple stakeholders," and the spirit of this philosophy has been handed down from generation to generation in our company. The year 2008 marked the 150th anniversary of our founding. Building on our history that we moved through together with the philosophy *sampo yoshi*, we will practice our CSR that is rooted in this principle also during the next 150 years.



"Itoh Itomise" thread and yarn store at the time of its opening in 1893

## ITOCHU's participation in the United Nations Global Compact

In April 2009, ITOCHU Corporation joined the "Global Compact" advocated by the United Nations. This is because we support the ten principles of the Global Compact, a global initiative to achieve sustainable growth of the international community, in order to fulfill our CSR even more actively as a global enterprise following our corporate mission *Committed to the Global Good*.



In the compliance of the Global Compact's ten principles in the areas of human rights, labour, environment and anti-corruption, ITOCHU will continue to meet the demands from various stakeholders of the international community.

### The Ten Principles of the United Nations Global Compact

<b>Human rights</b>	Principle 1:	Businesses should support and respect the protection of internationally proclaimed human rights; and
	Principle 2:	make sure that they are not complicit in human rights abuses.
<b>Labour</b>	Principle 3:	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
	Principle 4:	the elimination of all forms of forced and compulsory labour;
	Principle 5:	the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.
<b>Environment</b>	Principle 6:	
	Principle 7:	Businesses are asked to support a precautionary approach to environmental challenges;
	Principle 8:	undertake initiatives to promote greater environmental responsibility; and
<b>Anti-corruption</b>	Principle 9:	encourage the development and diffusion of environmentally friendly technologies.
	Principle 10:	Businesses should work against corruption in all its forms, including extortion and bribery.

## Approach to CSR promotion at ITOCHU Corporation

We at ITOCHU Corporation believe that fulfilling our social responsibility through our business activities is important. To make sure that CSR is systematically implemented involving the whole organization, we established basic policies for CSR promotion as a corporate-wide policy and drafted CSR action plans in each organization to promote CSR.

In addition, we communicate with our various stakeholders to grasp the expectations and demands of society towards our company and leverage these for the promotion of CSR.

## CSR promotion through CSR action plans

ITOCHU Corporation is developing businesses covering a large number of fields and industries in seven Division Companies. To reliably promote CSR in our businesses, each Division Company defines the CSR issues that are important in its business and formulates the “CSR action plans,” and execute them based on a PDCA cycle system.

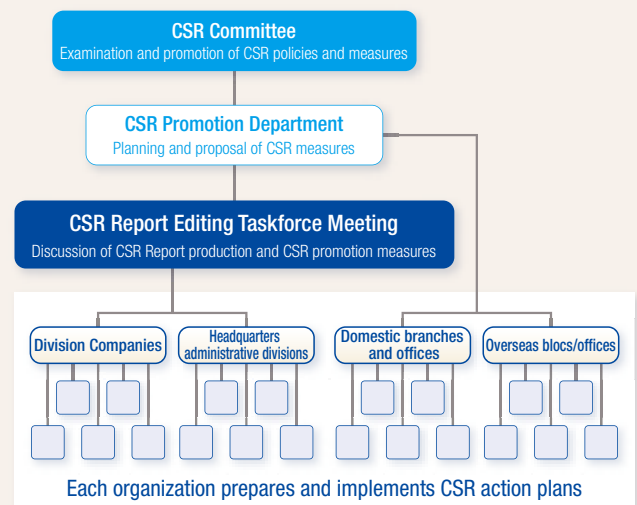
In actual practice, the responsible sales divisions draft and execute the CSR action plans under the lead of the general manager of the Planning and Coordination Department and the staff in charge of CSR promotion of each Division Company. Since 2008, we have also been seeking to continuously improve the level of our action plans by receiving objective opinions from a third-party perspective in our checking process in the PDCA cycle.

CSR action plans are also formulated and exercised by each organization such as the Headquarters’ administrative divisions, domestic branches and offices as well as overseas bases in line with the respective businesses and functions. A pillar of our CSR promotion is that every employee understands the plans and steadily executes them in his or her job.

## CSR promotion system at ITOCHU Corporation

Established in April 2005, the CSR Promotion Department makes proposals for CSR promotion measures, which the CSR Committee examines and discusses. We have also set up a “CSR Report Editing Taskforce” consisting of members from each Division Company and related administrative divisions to discuss the preparation of the CSR Report and promotion measures for CSR.

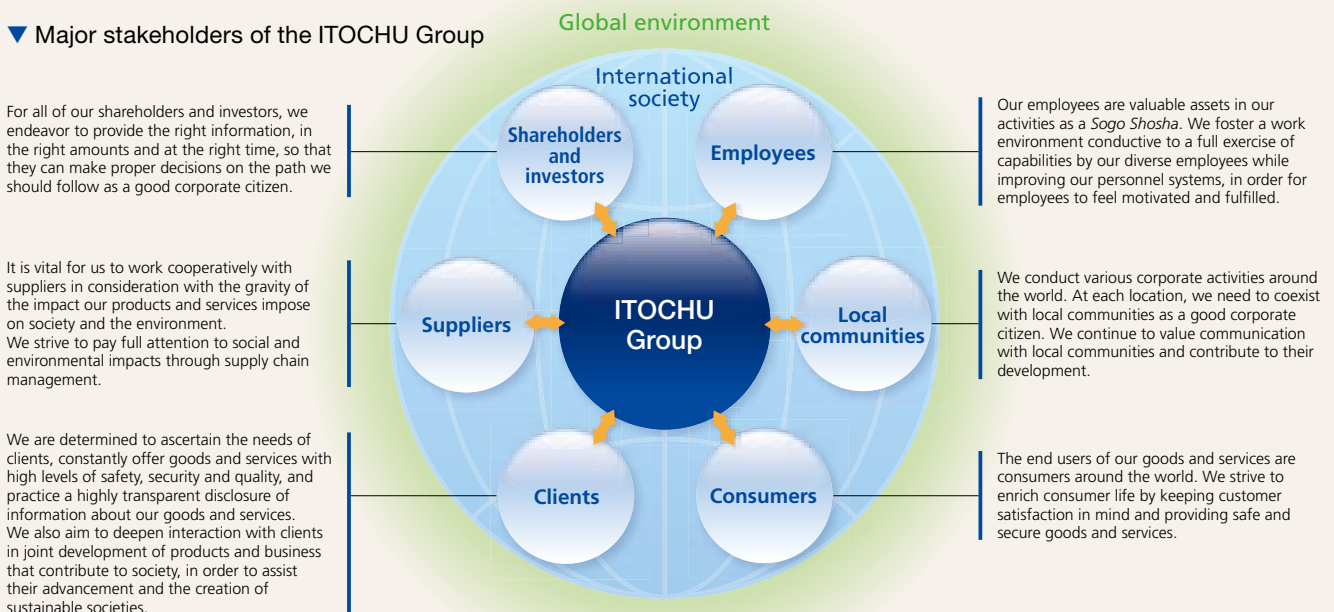
### ▼ CSR promotion system



## CSR approaches through dialogue with our stakeholders

In each and every one of our wide range of corporate activities, we always take care to avoid arbitrary logic and judgments. For this reason, in our approaches to CSR as well, we engage in dialogue with our stakeholders based on the premise that judgments in society are by definition correct.

### ▼ Major stakeholders of the ITOCHU Group



● Besides those noted above, the list of our major stakeholders includes many other parties, such as NGOs and NPOs, financial institutions, government ministries and agencies, mass media, and the coming generations.