

Social Contribution



Viewing issues from a global perspective, we always remain aware of the role to play as a good corporate citizen, see that our activities are at harmony with both local communities and the international community, and contribute to the rise of societies offering a higher quality of life.

Following our corporate mission "Committed to the global good," we have identified five areas of focus in our basic activity guidelines.

Basic Activity Guidelines on Social Contribution



1. Action on Global Humanitarian Issues

As a globally active enterprise, ITOCHU Corporation shall take proactive approaches to humanitarian issues around the world and help to build a better, more humane world.



2. Environmental Conservation

ITOCHU Corporation shall vigorously pursue activities of environmental conservation and contribute to sustainable social advancement.



3. Community Contribution

As a good corporate citizen, ITOCHU Corporation shall construct favorable relationships, and harmonize its business, with local communities.



4. Growth of Future Generations

ITOCHU Corporation shall conduct activities to support the sound development of youth as tomorrow's leaders and work for the emergence of fulfilling and vibrant communities.



5. Support for Volunteer Work by our Employees

ITOCHU Corporation shall provide positive support for the activities of social contribution by each and every one of its employees.

Social Contribution Activities: The Great East Japan Earthquake Support Activities

The Great East Japan Earthquake caused substantial damage throughout east Japan. Moving forward, ITOCHU will do its utmost to support reconstruction from a long-term perspective.

Topics of Major Activities in FY 2013

■ The 100 Children's Books aid in June 2012

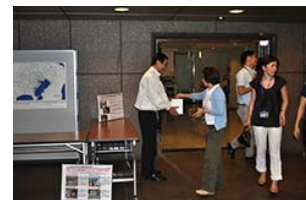
The 100 Children's Books aid that we conduct together with our shareholders has starting arriving at a volunteer organization in Tohoku. This activity transfers paper and postage costs saved from shareholders approving electronic registration of their information to the Itochu Foundation that runs novel book aid. With our company donating the same amount, we have delivered 15 sets (1 set = 100 books) of children's books in fiscal 2012 to an organization operating at areas suffering the effects of the Great East Japan Earthquake to be used effectively for reading aloud to children.



■ Fund-Raising Activities Started a Year and a Half after the Great East Japan Earthquake in September 2012

On September 11, ITOCHU Corporation started in-house fund-raising activities at its offices to provide support for areas devastated by the giant earthquake and tsunami. The campaign lasted until September 21, and money was donated by many people, including expatriate employees and ITOCHU Group employees, not to mention directors, executive officers, and employees of ITOCHU Corporation. ITOCHU added the same amount to the final campaign result and donated their sum, which was 607,230 yen, to the Nippon International Cooperation for Community Development (NICCO). NICCO will use the money to support children in the devastated area under the 'Supporting Children's Dreams' project in Tohoku. For details, visit:

<http://www.kyoto-nicco.org/project/support/presentation/itc-coope.html>



■ Exhibiting the Works of Takuya Gamo of Iwaki City in Fukushima Prefecture in March 2013

We organized the Art Exhibition PEACE ART for the Future (March 5 to 11) at ITOCHU AOYAMA ART SQUARE. The whole venue including the support message board was given over to the "Great Earthquake, Tsunami and Heart Memories Spoken by Children's Arts" organized by East Japan Support Crayon Net. The exhibition of works by Takuya Gamo, who has overcome a disability to play an active role as an artist in Iwaki City, Fukushima Prefecture, was held at the same time.



■ Fundraising Activities to Mark Two Years Since the Great East Japan Earthquake in March 2013

Marking two years since the Great East Japan earthquake on March 11, the fundraising activity at the ITOCHU Tokyo headquarters collected 546,890 yen during the lunch hour. We have also had warm reactions from our branches and overseas offices during the week and ITOCHU will match the donations with a sum equal to the total amount collected. Unchanged from the time immediately after the earthquake, the sense of "we will not forget" is put to use rebuilding schools and supporting young people in the areas affected by the disaster through the Nippon International Cooperation for Community Development (NICCO) and the ITOCHU Foundation.



■ Tohoku Supporting Children's Dreams Project in March 2013

The Nippon International Cooperation for Community Development runs the Tohoku Supporting Children's Dreams Project. Sympathizing with the aim of the project, ITOCHU Corporation supports extracurricular activities and youth baseball teams of junior high schools in Rikuzentakata City, Iwate through ITOCHU Children's Dreams Fund, a fund that has recently been established. For details, visit:

<http://www.itochu.co.jp/en/csr/news/2013/130311.html>



■ Cooperating in Ishinomaki Line Mangattan Liner in March 2013

A departing ceremony for the Ishinomaki Line Mangattan Liner, a joint enterprise by Ishinomaki City and East Japan Railway Company, was held on March 23 when the Ishinomaki Mangattan Museum reopened. Many children and

families flocked to the station platform to see the train printed with Cyborg 009, Kamen Rider and other popular characters of cartoons created by the late Shotaro Ishinomori. Hoping that Mangattan Liner will attract tourists and help reconstruct affected areas, ITOCHU Corporation donates all expenses for the production of character stickers to Ishinomaki-shi.



Support for Volunteer Activities by our Employees

Beginning in May 2011, to make it easier for employees to participate in volunteer activities that support Great East Japan Earthquake reconstruction initiatives, we instituted a system under which the Company pays for travel, board, and other expenses. By the end of March 2013, a total of 216 people had used this system.

■ Volunteer Activities Report 1 (participated in the 9th activities from August 9 to 12, 2012)

Voice from a participated volunteer



Tetsuo Otani
Logistics & Insurance
Business Department

Seeing the Devastation and Meeting New Friends

The disaster that devastated the Tohoku region was a truly shocking event. I had been wondering whether there was something I could do to help with recovery efforts. Seeing the devastation with my own eyes, I again felt the difficulty and intractable nature of the recovery. Our work involved clearing clogged rice paddy ditches, and over the course of two and a half days, we cleared dozens of meters of ditches. By having meals and clearing ditches with 13 people of different ages and departments who I had never come across before in the ITOCHU Group, I was delighted to discover there were many wonderful workmates in ITOCHU that I never knew. I recommend that many more people pitch in and enjoy lending a hand.

■ Volunteer Activities Report 2 (participated in the 13th activities from December 13 to 16, 2012)

Voice from a participated volunteer



Yumi Inoue
Non-Ferrous & Metal
Materials Department

Continuing the Recovery to the Next Stage

This was my third visit to Rikuzentakata. This time when we arrived, "Minna no Ie" (a community house for local residents) stood on the land we reclaimed in December 2011, and there was a new sports field next to an embankment we cleared debris from in June. What we can do to help each time is so limited that when the body is tired from volunteering, the mind can be tempted to doubt whether the work has any meaning. On this trip I was glad to see people gathering at Minna no Ie to seek warmth from the cold, and children playing catch in the field. It made me realize that our efforts had certainly helped local people to make progress. However, there is still a long way to go before a full recovery. This trip made us want to always remember the people in the disaster zone and continue volunteering.

■ Volunteer Activities Report 3 (participated in the 14th activities from February 14 to 17, 2013)

Voice from a participated volunteer



Terumi Haruki
Affiliate Administration
Section, ICT, General
Products & Realty
Company

Thinking Again About the Tohoku Region

Two years have now passed since the Great East Japan Earthquake, and I've been surprised by the sluggish rate of reconstruction and recovery. There are still many local people in the Tohoku region who have to live in temporary accommodation and are grappling with their daily lives as they steadfastly wait for more progress with the recovery. After the volunteer work, I was really moved when a person affected by the disaster said to me quietly, "You've been a great help to us." I was also very struck by the various people I met and relationships I formed on this occasion. ITOCHU has provided us with the opportunity to converse a lot with disaster victims about their experiences. For these people, the memories of that time are still painfully vivid in their mind. Nevertheless, they have a strong need to talk about the earthquake and related things. This is because they want us all to never forget about the tragedy. This is perhaps also why when we were leaving the region on our bus they continued waving to us until they couldn't see the bus any more. I couldn't help but respond out loud with, "I'll be back soon!"

Social Contribution Activities: Action on Global Humanitarian Issues

Providing Aid to Areas Affected by Major Natural Disasters

For humanitarian reasons, we donate money and provide supplies for emergency relief for those affected by natural disasters both in Japan and overseas.

In FY2013, we collaborated with local branch offices and related organizations to provide the following aid.

Recent examples

Philippines: Typhoon in Mindanao	¥10,000,000
United States: Hurricane in the northeast	(Through local subsidiary) US\$50,000
China: earthquake in Szechuan	(Through local subsidiary) RMB300,000

Support Activities for the World Food Programme (WFP)

With the hope of alleviating hunger and poverty worldwide, we have been serving as a council member of the Japan Association for the WFP, a nonprofit organization that focuses on building support in Japan for the World Food Programme (WFP) and its hunger relief operations.

On December 5 and 6, we solicited donations to the UN World Food Program (WFP) in the reception area on the 1st basement floor of the Tokyo Headquarters and collected a total of 365,261 yen. At the venue, panels showing WFP's activities were displayed, and a limited number of special Santa Claus dolls were given to donors on a first-come and first-served basis. The money donated by the large number of ITOCHU

employees will be used by WFP for activities around the world for eradicating hunger.

Moreover, in May 2013, 220 employees of ITOCHU Corporation and ITOCHU Group companies participated in End Hunger: Walk the World, held in Yokohama. This is an annual event to raise money and awareness for the WFP's efforts to fight child hunger and malnutrition. At its Tokyo Headquarters, ITOCHU regularly engages in activities such as fundraising and holding panel exhibitions for introducing the WFP's activities.



Participated in End Hunger: Walk the World

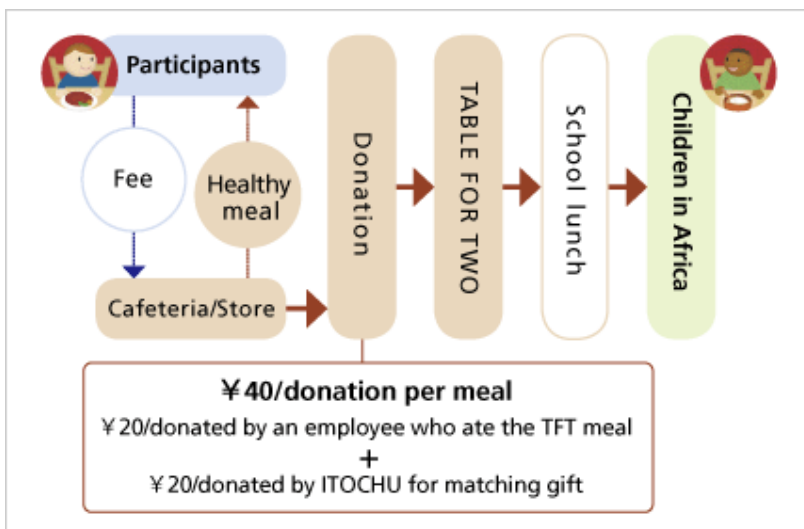
TABLE FOR TWO (TFT) Fighting to Fix the Food Supply Imbalance between Developing and Developed Countries

Our TABLE FOR TWO (TFT) is a social contribution program based on the concept of people in developed countries sharing a meal with those in developing nations beyond the restrictions of time and space so as to simultaneously work toward solving the problems of hunger faced by developing nations and obesity and lifestyle-related diseases faced by industrialized countries. TFT was established in Japan in October 2007, and in April 2008 in the corporate cafeterias in Tokyo, Osaka, and Nagoya ITOCHU introduced the TFT program at full-scale ahead of other companies.

In FY2014, the TFT healthy Menu is being offered every



day at the Tokyo Headquarters' corporate cafeteria. Those who order a meal from the menu can automatically donate 20 yen, which is included in the price. ITOCHU has introduced a matching gift program under which it donates an additional 20 yen per TFT meal purchased by its employees. This means that a total of 40 yen per meal is donated to the Japan Association for the World Food Programme and used to provide school lunches for children in developing nations.



Guidelines for TABLE FOR TWO meal

1. Meal with calories of approximately 730kcal (between 680 to 800kcal)
2. Nutritionally well-balanced meal
3. Meal with a generous amount of vegetables

Best 3 popular menus of TABLE FOR TWO at ITOCHU's Tokyo Headquarters



No.1: Stir-fried pork and vegetables with oyster sauce
496kcal



No.2: Bulgogi full of vegetables
597kcal



No.3: Non-fried white meat Mayo cutlet
500kcal

Social Contribution Activities: Environmental Conservation

Activities to Restore the Tropical Rainforests and Conserve Borneo's Ecosystem

In 2008 ITOCHU celebrated the 150th anniversary of the company's foundation. To commemorate the anniversary, the Company decided to implement a social contribution program. A questionnaire conducted to determine what type of program to conduct found forest conservation to be the theme employees desired most strongly.

Since FY2010, under this program, ITOCHU has been engaged in activities to restore the tropical rainforests and conserve the ecosystem in Borneo by collaborating with the World Wide Fund (WWF) for Nature Japan.

In northeast Borneo, at North Ulu Segama in the state of Sabah in Malaysia, where ITOCHU supports an area for rainforest regeneration, the international conservation organization WWF is collaborating on reforestation with the Forestry Department of the State Government of Sabah. The ITOCHU Group is supporting the regeneration of 967 hectares in the area – one of the largest forest regeneration programs to be carried out by a private enterprise. Since the land is also a habitat for orangutans, an endangered species, ITOCHU has named the program "ITOCHU Group Forest for Orangutans" and has worked together with Group companies to promote it.

We also organize a tour to the island every year comprised of volunteers from among ITOCHU Group employees. In these tours, the employees take part in reforestation efforts (including tree planting and cutting grass), observing wild animals, and other activities.

Please refer to the page 84 for detail.



Planting of tree saplings

Support for Manila Hemp Plantation Rehabilitation Project

On the occasion of the 100th anniversary of the establishment of our Manila branch in 1912, in June we signed a project agreement with the Fiber Industry Development Authority of the Department of Agriculture and the St. Ann's Family Service Cooperative, a local agricultural cooperative. The project has begun in August 2012, and ITOCHU will donate ¥2 million, the amount

needed to plant and grow 90 hectares of Manila hemp (about 144,000 plants), which is scheduled to be completed by March 2014. In addition, the project is expected to absorb approximately 18 tons of CO₂ a year.



Social Contribution Activities: Community Contribution

Establishment of ITOCHU Medical Plaza for Contributing to Development of Kobe Medical Industrial City

To the Foundation for Kobe International Medical Alliance, we donated 500 million yen necessary for constructing the ITOCHU Medical Plaza, a facility aimed at conducting international medical exchange. The Plaza is planned to open in summer 2014 in the Kobe Medical Industrial City, one of the largest medical clusters in Japan. It is intended to be a center for human resource development, including education and technical training of overseas physicians and healthcare practitioners mainly from Southeast Asia, projects for accepting trainees from overseas, and a variety of research projects such as joint development of medical equipment with universities and other institutions.



Image of completed ITOCHU Medical Plaza

Opening of ITOCHU AOYAMA ART SQUARE

In October 2012, we opened ITOCHU AOYAMA ART SQUARE in the CI Plaza next to ITOCHU's Tokyo Headquarters. We established the facility as a base for our CSR activities aimed at contributing to the development of future generations, making local contributions through art, and contributing to art and cultural promotion, both in Japan and abroad. In Aoyama, an area that thrives with a variety of cultures, we will showcase artwork that reflects fresh perceptions and present exhibitions that serve as a bridge for international exchange.

ITOCHEU will continue to address a range of social issues through art and regularly present exhibitions to contribute to creation of the culture of life in local communities.

ITOCHEU AOYAMA ART SQUARE website

<http://www.itochu-artsquare.jp/en/>



■ Nemunoki Children and Mariko Art Exhibition

Starting on October 26, 2012, the first exhibition of ITOCHU AOYAMA ART SQUARE "Nemunoki Children and Mariko Art Exhibition" was open to the public. The opening ceremony was participated by Ms. Mariko Miyagi, the President of Nemunoki Gakuen and also the exhibition director, along with children of the school. The ceremony turned out to be a friendly and calm occasion under the clear sky.



■ Five Art University Interchange Exhibition

From January 18 through February 23, 2013, ITOCHU exhibited at ITOCHU AOYAMA ART SQUARE paintings and other works created by 40 voluntary students studying at five famous art universities in the Kanto region, namely Joshibi University of Art and Design, Tama Art University, Tokyo Zokei University, Nihon University College of Art and Musashino Art University. The students infused feelings that are unique to students into original work.

ITOCHU jointly organized this event with the aspiration that it would encourage the next-generation of students, who represent the future of art in Japan, to grow and pursue their dreams by providing them with challenging opportunities to present their work to society.

(Each of these posters is an individual artwork: the students put in the extra work of making every one different)



■ Exhibition of Edokiriko by 15 Young Artists

From Saturday, March 16, 2013, ITOCHU Aoyama Art Square has been the venue of an exhibition of new works by 15 artists of traditional Edokiriko. Based in Koto-ku, Tokyo, these artists keep making attractive works combining traditions with innovations. It was a good opportunity to experience the art and beauty of the works of young craftsmen who inherit traditional craft filled with the wonder of the culture created and developed by Japanese.



Support the "House for Youth" in Philippines of NGO "Kokkyo naki Kodomotachi(KnK)"

In December 2009, ITOCHU provided support for renovation of the House for Youth, a home that helps young people become independent, located on the outskirts of Manila. Support was provided via Kokkyo naki Kodomotachi (KnK: meaning "children without borders"), an authorized Japanese NPO that supports street children, children who are victims of major disasters, and other children in developing countries. House for Youth was again renovated in 2012 into a job training facility that helps children achieve independence. This time the underground floor and the roof of the house were renovated, enabling the facility to provide more job training courses, which allows more young people to acquire practical skills. The facility currently provides a wide range of support to approximately 1,000 young people every year.



House for Youth



Children from the House of Youth participating in the 100th anniversary celebration of ITOCHU Corporation's Manila branch

KnK Reports From the Philippines (an excerpt from KnK's website)

The KnK Philippines House for Youth, which was established in November 2001, was renovated in December 2009 with support from ITOCHU Corporation. Young children who were abandoned by their parents live together here under the family-like love of staff members and receive appropriate care. Some children who suffered from severe malnutrition before they came here are extremely small for their age. Yet their health conditions have now improved significantly because they receive a well-balanced diet and live a regular life.

At the House for Youth, we help young people living in slums get jobs by providing them with training courses in computer skills and sewing. We have also started activities for creating income in the slums mainly through handicrafts. Through this work, young people can, for instance, create and sell accessories to help them become financially independent.



Together with the staff members of KnK

Lobby concert

On July 23, 2012, we organized the 21st ITOCHU lobby concert at the Tokyo head office attended by more than 700 current employees, former employees and their families as well as people in the local community. As we do every year, we also invited everyone from the Agape Center and before the concert, we organized a social event with the presenter Keiko Takeshita and ITOCHU Chairman, Eizo Kobayashi. Everyone had been looking forward to the annual event and were very pleased to socialize and have photos take to commemorate the evening. The performance by the New York Symphonic Ensemble was also extremely well received. At a mini-talk with Keiko Takeshita and Chairman Kobayashi, the discussion ranged from the efforts of the people in the disaster-struck areas to the assistance of the picture book program run by the ITOCHU Foundation. In its 21st appearance in the lobby concert, the New York Symphonic Ensemble gave a wonderful performance and were called back for two encores. Once again, we were reminded that music is the shared language of all people and regions.



Community Cleanup Activities on Aoyama-dori

ITOCHU employees take part in community cleanup activities around our Tokyo Headquarters. As members of the local community, they clean up the street and distribute items for raising awareness by cooperating with the local residents' association and staff of other companies in the area.



Social Contribution Activities: Growth of Future Generations

ITOCHU Foundation

ITOCHU has promoted social contribution activities aiming for the sound development of young people since setting up the ITOCHU Foundation in 1974.

The foundation engages in activities for contributing to the healthy growth of children, such as two current major projects: subsidizing development of children's literature collections (including subsidies for library development at schools and supplementary schools for Japanese nationals overseas), and promoting development of an e-book library.

Please refer to the page 69 for the 100 Children's Books aid that we conduct together with our shareholders.



Students at a Japanese school in Guatemala

Opening of Eco Shop Pavilion in KidZania Tokyo

In April 2012, ITOCHU opened its Eco Shop environmental pavilion in KidZania Tokyo, a facility for children to experience diverse types of work.

ITOCHU operates the Eco Shop by utilizing the expertise in environmental education it has developed through the MOTTAINAI Campaign, a global environmental effort in which ITOCHU participates. To allow children to experience environmental activities, the pavilion provides visitors with opportunities to create original products such as a My Furoshiki Wrapping Cloth, Eco-Bag for Shopping, and My Chopsticks to Carry Along, all using eco-friendly materials.

We have also introduced a program in which, for each child creating an original item at the Eco Shop, an amount equivalent to the cost of one tree sapling is donated to the Green Belt Movement, a tree-planting endeavor in Kenya. In FY2012, about 30,000 children participated in the activities, leading to donation of 30,000 saplings.

At KidZania Tokyo, a popular venue for children, we will continue to provide them with opportunities to enjoy learning environmental preservation from a global perspective, helping to develop young people who will be leaders of sustainable society.



Ceremony for presenting tree saplings to Kenya

Summer Holiday Class for Children

On August 22, 2012, we held a Summer Holiday Class for Children on the 10th floor of the Tokyo head office. A total of 27 children, including students of Aoyama Elementary School, children from the local community, and employees' families, participated in the class. We started to hold this annual event in 1992 as the Summer Holiday Environmental Class. The class for this year, which was the twenty-first, was organized jointly with Mizuho Financial Group, Inc. with expanded content. In the first part of the class, children learned about money, enjoyed quizzes on money, practiced counting banknotes, and actually held up 100 million yen cash. In the second part, they were given explanations about the MOTTAINAI Campaign, enjoyed a picture-story show on Pre Organic Cotton, created eco bags, and finally, were given beetles as gifts. The two-hour class was thus rich in content.

Above all, when real 100 million yen cash was shown to them immediately after a quiz question, "How heavy is 100

million yen?", not only the children but also their parents and guardians let out a cheer. Each one of them actually held up the cash, taking photographs eagerly. In the second part of the class, the participants gave such comments as "I was happy I could express MOTTAINAI with my own hands", "I enjoyed making the eco bag and now I want to do many more eco-friendly activities", "I want to buy products using Pre Organic Cotton as much as possible because I know the hardship of producers." It seems that the class was not only enjoyable for the children but also gave them a good opportunity to start thinking about environmental problems in their own ways and taking actions accordingly. When beetles were offered as gifts at the end of the class, the children looked at the 40 beetles with shining eyes. Thus, the class will be remembered by the children as one of good memories of summer holidays.



* Pre Organic Cotton: Cotton produced by farmers during a period required for the certificate of completing transition to organic production

[Reference]For details of the Pre Organic Cotton Program, visit: <http://www.preorganic.com/about/>

Social Contribution Activities: Support for Volunteer Work by our Employees

ITOCHU strives to heighten employees' awareness of volunteer activities. In one such effort we have introduced a system that lets employees take up to five days of annual volunteer leave and volunteer programs in which they can participate on holidays or during lunch breaks.

We especially recommend that our employees participate in the following activities, for which we have launched our own support programs.

Overseas: Volunteer tree-planting in Borneo

Japan: Volunteering to provide support for recovery from the Great East Japan Earthquake

Activities to Restore the Tropical Rainforests and Conserve Borneo's Ecosystem

Since 2009, ITOCHU has been engaged in activities to restore the tropical rainforests and conserve the ecosystem in Borneo by collaborating with the World Wide Fund for Nature Japan. We organize employee volunteer tours every year and visit Borneo regularly with employees working for ITOCHU Group companies, national staff working overseas, and others. Please see the pages 84 to 91 for details.



Examples of Other Volunteer Programs in which Employees can Participate

■ Support for Child Chemo House through installation of vending machines

To support operation of the Child Chemo House, the Japan's first specialized childhood cancer treatment facility, we have installed beverage vending machines specially designed for Chemo House in our Headquarters in Tokyo and Osaka. We donate an amount equaling 6%-10% of sales from all beverage vending machines installed in the buildings to Child Chemo House.



■ ITOCHU Baseball Class (Tokyo Headquarters)

As part of nurturing young people, thinking that we want to give disabled children the opportunity to challenge themselves in a variety of activities, and that we would like to help create opportunities for them to explore their own potential, we have sponsored the classes since 2007.

The instructor Kazuya Yano, former pitcher for the Yakult Swallows, covered a lot of ground, from sportsmanship, basic movements and other fundamentals that are difficult to master by practicing at home, to catching fly balls and practicing pitching. Expressing a common sentiment, one child who participated said, "I am happy because it was the first opportunity for me to use some of this gear. From now on I want to practice more." The event is very popular with everyone including the children and their guardians, and the number of volunteers are increasing year by year.



■ **Campaign to Deliver Picture Books (Headquarters in Tokyo and Osaka, Nagoya Branch, Kanazawa Branch)**

Participants in this campaign affix labels bearing text translated into local languages on corresponding pages of Japanese picture books and send the books to children in Southeast Asian countries as gifts.

A room on the fifth floor of the Tokyo Headquarters is offered for these activities during lunchtime every Thursday.



■ **Selling Bread from the Swan Bakery**

The Swan Bakery was established by the Yamato Welfare Foundation with the aim of encouraging employment for people with disabilities at reasonable wages. Since May 2008, we sell bread from the Swan Bakery every Wednesday in the employee cafeteria at the Tokyo head office.



■ **Nature Observation Sessions organized by the Fureai Network**

Nature observation at Shinjuku Gyoen National Garden: Early April

Cicada walk: Early August

Nature observation tour in Yokosawairi: Early October

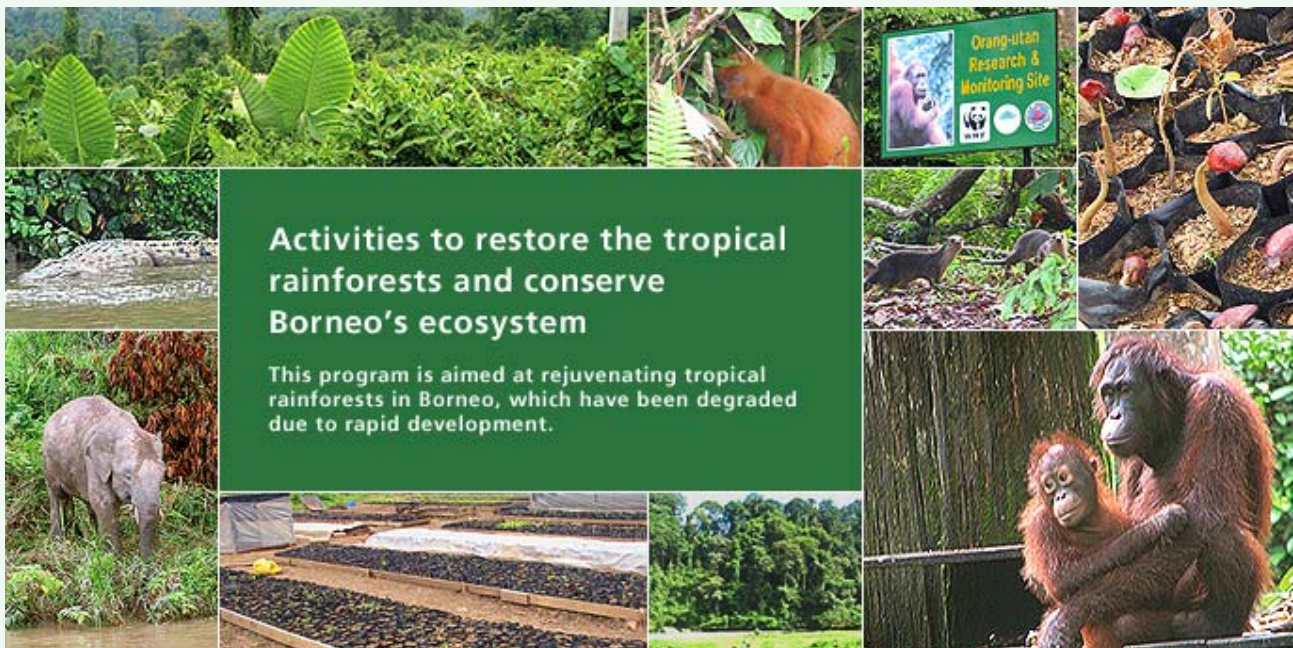


■ **Book reading by Fureai Network's Reading Aloud Group (held on second Saturday of each month)**

Current and retired employees of the ITOCHU Group visit elderly residents of a nursing home in Shibuya ward as volunteers and interact with them by reading books aloud, singing together, and engaging in other activities.



Social Contribution Programs to Commemorate the 150th Anniversary



Activities to restore the tropical rainforests and conserve Borneo's ecosystem

This program is aimed at rejuvenating tropical rainforests in Borneo, which have been degraded due to rapid development.

ITOCHU Group Forest for Orang-utan

1. Background

A worldwide issue, the striking decline and deterioration of tropical rainforests and the accompanying collapse of ecosystems was pointed out at the United Nations Conference on Environment and Development (UN Earth Summit) held in Brazil in 1992, but even today it has not stopped. In addition, it is also said that the destruction of forests is a source of the increase in CO₂ that is a cause of global warming.

The island of Borneo (Kalimantan) is a tropical rainforest region extending across the three nations of Malaysia, Indonesia and Brunei. With a surface area that is approximately 1.9 times that of Japan, it is the third largest island in the world.

Ranked with the Amazon, the island of Borneo is considered a treasure house of biodiversity, but recently development has made headway and some of the tropical rainforests have been damaged to the degree that it is not possible to preserve the ecosystem with natural regenerative power alone. This program is designed to assist with the regeneration of these damaged rainforests. In the northeast of Borneo, at North Ulu Segama in the state of Sabah in Malaysia, where ITOCHU supports an area for rainforest regeneration, WWF, an international conservation organization, is collaborating with the Sabah Forestry Department (SFD), to carry out reforestation of an area of approximately 2,400 hectares. Within the area, the ITOCHU Group is supporting the regeneration of 967 hectares. This is the largest area of responsibility for a restoration project undertaken by any private company. The land in question is also a habitat for orangutans, an endangered species. The reforestation not only protects the orangutans ; it is linked to the protection of many living creatures whose habitat is here.

Planting of 690 hectares had been completed as of the end of November 2012, and reforestation of all the 967 hectares is scheduled to be completed by the end of FY2015. After that, on-site maintenance work will continue through FY2017.



It takes a long time to regenerate a tropical rainforest. Five years alone are not enough. However, taking this opportunity, both employees and Group companies are cooperating, aiming to regenerate a forest where the animals can live in peace.

2. Program Description

Recipient	WWF Japan
Term	From FY2010 to FY2014 (Originally scheduled for 5 years, but the on-site work will continue through FY 2017)
Location	Borneo (North Ulu Segama, Sabah, Malaysia)
Area	967 hectares (slightly larger than a 3 km x 3 km square area)
Contribution	A total of 250 million yen (including donations from Group companies)
Tree-planting	We will plant species of trees that are appropriate to local conditions with the focus on the local Dipterocarpaceae species. We will plant trees and undertake maintenance for a period of five years.
Employee volunteering	We are involved in local reforestation activities (tree-planting, cutting undergrowth), wildlife observation, and other activities by employee volunteers, including those from Group companies.

News from Borneo: Vol. 4

A total of eighteen employees of ITOCHU and Group companies from Tokyo, Sendai and Taiwan came together for the 4th Borneo tree-planting tour at the ITOCHU Group Forest for Orangutans in Sabah State on the island of Borneo in Malaysia. At the site, the participants worked up a sweat, planting 10 to 27 saplings per person in the tough environment as the scorching heat of the sun beat down on them. Here, we introduce the abundant attractions of the local natural environment and a summary of the tour.

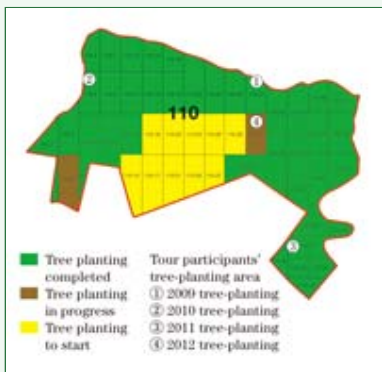


Tree-Planting Tour

■ Itinerary

Day 1	11/22	Narita (overnight flight) – Kuala Lumpur
Day 2	11/23	Kuala Lumpur – via Kota Kinabalu to Lahad Datu. WWF seminar after arrival at the hotel
Day 3	11/24	Lahad Datu to North Ulu Segama for tree-planting, and Sukau (evening cruise & night cruise)
Day 4	11/25	Sukau (morning cruise) to Sandakan (walk) to Sepilok
Day 5	11/26	Sepilok (visit the Orangutan Rehabilitation Center) • A walk in Forestry Department forest facility to Sandakan to Kuala Lumpur (overnight flight) to Narita
Day 6	11/27	Arrival at Narita Airport

■ Reforestation Status as of November 2012



As of November 2012, approximately 690 hectares, or 70%, of the total 967 hectares had been planted with trees. Long spells of rain, droughts and other bad weather have made it difficult for the tree planters to work efficiently. As of now, the tree planting will continue until fiscal 2014 with maintenance work continuing until fiscal 2016. From then on, the site will be left to grow naturally.



A sapling planted in 2010...



... had grown to about 2 meters by 2011.



By 2012, it had grown to 4 meters.

■ Tree-planting Report

Day 2 (November 23)

Arriving at the hotel after a long flight and transfer, the participants immediately headed for the conference room where they listened to a lecture by WWF Malaysia staff about the current situation in the disappearing forests on Borneo.



Participants are listening earnestly to a lecture by WWF Malaysia staff



Mr. Taniyama, a former ITOCHU employee, speaking with plain enthusiasm about the historical context.

After the ITOCHU activities, Mr. Taniyama, a former managing director of ITOCHU who now lives in Kota Kinabalu, came with his wife to talk about local afforestation and culture. The participants were able to get a full understanding of the current situation.

Day 3 (November 24)

The temperature was about 35 degrees. Under the scorching hot rays of the sun, 19 people split into six groups and planted 10 to 27 saplings each. Sweating hard as they planted the trees, everyone worked until they were worn out.

I was moved by participants who, finding traces of orangutan nests at the afforestation site, worked while praying that the trees they were planting would grow to provide homes for the orangutans in ten years' time.



Leaving the hotel by private bus in the morning.



Transferring to 4WD jeeps to travel to the tree-planting site



Explanations at the tree-planting site



At last, the tree-planting starts



Commemorative photo in front of the signboard



Pouring with sweat and venturing into deep country while keeping to the tree-planting line

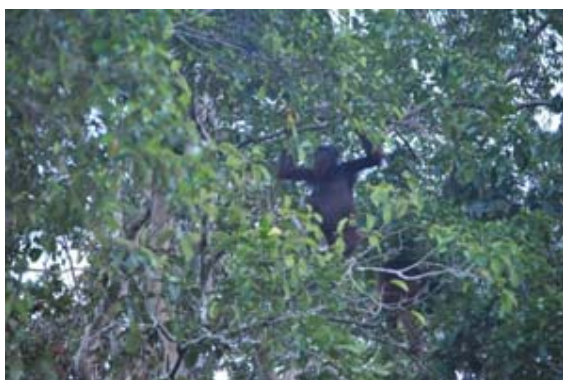
After finishing the tree-planting, we went by bus back to the hotel. The people participating in the evening cruise from the hotel in Sukau encountered proboscis monkeys, orangutans, lizards, kingfishers and other wild animals. After the evening meal, there was also a night cruise. The species of animals you can observe changes between dusk and nighttime. We traveled downstream at night through a magical landscape that took our breath away as we enjoyed the scenery under a starry sky.



In the afternoon, we transferred back to the hotel in Sukau where the evening cruise started.



Finally we came across a wild orangutan!!



After a short while we encountered 2 more wild orangutans!! They were only 50-60 meters away from the boat.



Looking up from the boat

Day 4 (November 25)

With the excitement of the previous day still lingering, we set off on the morning cruise. We also encountered wild animals on the 2.5 hour boat trip and the participants were astonished beyond their expectations.



Early morning departure



Captivating colors of the kingfisher



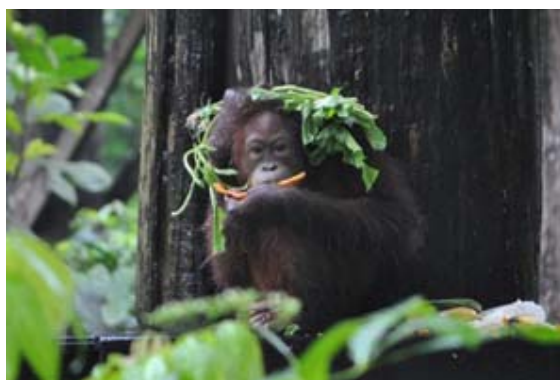
A monitor lizard clinging to a tree (about 1 m long)



To Sandakan in a speed boat. The strong wind hitting the body feels pleasant in the temperatures directly below the equator

Day 5 (November 26)

It had been raining heavily since the previous night, so in the morning we paid a visit in the rain to the Sepilok Orangutan Rehabilitation Center. The center shelters orphaned orangutans who have lost their mothers to poachers and, with a little help from human beings, they learn the necessary skills for surviving on their own before they are returned to the wild. It was a valuable few hours with each participant thinking deeply about the connections between forest regeneration and ecosystem protection, and their importance.



An orangutan sitting on the fence along the path (close enough to touch)



Participants looking at the information board at the resource center





In the afternoon, we visited the Rainforest Discovery Centre in a protected forest managed by the Forestry Department.



The protected area retains the look of virgin rain forest with many species of trees growing close together in a rich ecosystem.



The Centre, which grows tropical plants and birds, can be visited on foot.



On the way to the airport, we stopped off at the Sandakan cemetery. In a small corner, down a narrow path at the rear, there is a famous Japanese cemetery.
(The photo shows the Chinese cemetery.)

The rain is holding off?! The power of people who bring out the sun!



Megumi Kosaka
Corporates & Partners,
Fundraising & Marketing
Division, WWF Japan

The volunteer tree-planting tour has come to an end without any difficulties thanks to the participants. Once again, I would like to thank you for your support. At the lecture immediately after arrival, nobody looked tired, rather everyone was excited to participate in the activities. After the presentation, there were a lot of questions and the high level of interest in this project was tangible. Locally, this is the rainy season, but the men and women from the ITOCHU Group seemed to bring the sun with them. Just like last year, the sky was blue during the time spent at the project site. The temperature rose above 35°C under the blazing sun, but everyone was smiling and working earnestly without stopping. The people I remember best are the ones who talked to the saplings while gently planting them in the ground. Seeing the look of satisfaction on their faces after the tree-planting was finished, the staff gradually relaxed and had an enjoyable time taking photographs and talking with everyone.

I believe that everyone who participated in this tour came to understand the range of issues around the need for the forest reforestation project, its content and initiatives, as well as the day-to-day activities of the staff. Please do talk to your colleagues, family members and friends about this experience. I expect that your stories will be instrumental in getting people to think about protecting the global environment.