

Progress of CSR in the ITOCHU Group

The ITOCHU Group has long promoted CSR in order to make each group employee fully aware of *raison d'être* of ITOCHU in modern society, and in order to keep being an enterprise that fulfills its responsibility to create a prosperous society. Here, we report the progress of CSR at ITOCHU, starting with ITOCHU Corporation, and then extending the promotion of CSR to our group companies and our supply chains.

ITOCHU Group's approach to CSR

ITOCHU Corporation is a general trading company operating a wide range of businesses with its seven Division Companies. We view CSR as our responsibility to help create a sustainable society through our business activities.

Specifically, we formulate CSR action plans, and promote effective CSR based on a PDCA cycle system.

Implementing CSR initiatives at group companies

Our major group companies began formulating CSR action plans in fiscal 2007, based on the model methods of ITOCHU Corporation.

- Accumulated total of target group companies by fiscal 2009: 48

 Group companies targeted for CSR implementation at a glance
<http://www.itochu.co.jp/en/csr/itochu/group/>

Promoting CSR to our suppliers

We undertook the process to check the status of our suppliers with our first supplier survey, from late fiscal 2007 to fiscal 2008.

CSR at ITOCHU Corporation

In order to promote CSR in organized and systematic manner, ITOCHU Corporation began non-consolidated management by formulating CSR action plans and implementing CSR based on a PDCA cycle system. (See pages 19-34 for each Division Company's CSR action plans)

2006

2007

2008

Internal penetration of CSR at ITOCHU

■ Questionnaire survey on the CSR Report over the intranet

We distribute the CSR Report to all employees each year, and conduct a questionnaire survey over the intranet.

■ Production of CSR educational videos and organization of workshops

FY 2006: "What is CSR?"

FY 2007: "Global Warming and Human Rights"

FY 2008: "Considering Upstream Issues in the Cornerstone Businesses Comprising Society"

Toward achieving a sustainable society

Establishment of ITOCHU Corporation's CSR Action Guidelines for Supply Chains

We established action guidelines in April 2009, and are promoting CSR in partnership with our suppliers. (See pages 37-38)

2010

2009

Participation in the United Nations Global Compact

In April 2009, ITOCHU Corporation participated in the United Nations Global Compact. (See page 6)

Reorganization of ITOCHU Credo to ITOCHU Mission and Values

We have reorganized ITOCHU Credo to ITOCHU Mission and Values. (See page 5)

Meetings with third parties

In fiscal 2008 and 2009, each Division Company invited experts in its business area to the third-party CSR meetings to exchange opinions on its CSR action plans.

 Meetings with third parties
<http://www.itochu.co.jp/en/csr/stakeholder/meeting/>

We have implemented a variety of measures to increase the understanding and awareness of CSR by all employees.

■ Internal CSR seminars

- 1st seminar: Human rights / labor issues
- 2nd seminar: Global warming and the business of general trading companies
- 3rd seminar: The social impacts and roles of information technology in Japanese society
- 4th seminar: Loss and recycling in food distribution
- 5th seminar: Biodiversity and corporate initiatives
- 6th seminar: Procedures for assessing environmental and social risk in project finance

Advancing CSR

The workshop to review CSR at Division Companies

In order to improve the quality of CSR action plans, each Division Company held the workshop with the goal of increasing the understanding of CSR by its staff in charge of CSR. (See each Division Company's section on pages 19-34)

Basic policies for CSR promotion

To become a truly global enterprise, we must further develop our management system to meet global standards, while incorporating CSR, one of the requirements in a global society, into our management plans. Therefore, ITOCHU Corporation sets up "Basic policies for CSR promotion" each time it formulates management plans, and promotes its CSR activities combined with these plans on a global scale.

Basic policies for CSR promotion "Frontier[®] 2010"

Promote the following 4 items on a global scale

1. Strengthening communication with stakeholders
2. Ensuring and enhancing safety and reliability in the product, service, and human aspects
3. Promoting CSR-related education and enlightenment
4. Strengthening supply chain management (Respect for human rights)



Basic policies for environmental activities*

* For the environment, which is an important CSR issue, we promote activities according to separately defined basic policies for environmental activities.