

# Environmental Conservation Activities and Social Contribution

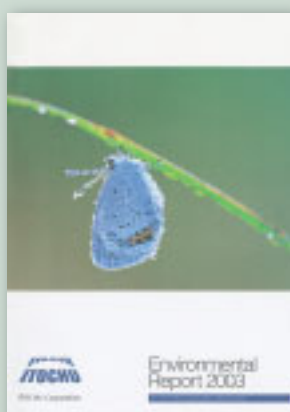
As a company engaged in natural resource development, investment, product and service provision and other areas on a global scale, ITOCHU is keenly aware of its responsibility to the global environment and society, and considers environmental conservation and social contribution to be among the most important management issues.

## Environmental Conservation

In fiscal year 2003, the ITOCHU Group as a whole continued to promote environmental risk assessment and prevention. In addition to making testing for soil contamination obligatory when buying land, we conducted on-site interviews to survey the observance of laws and regulations by group companies that have a high impact on the environment, and held seminars on related laws and regulations.

### *Environmental Report 2003*

In June 2003, we published a fourth edition of our environmental report, *Environmental Report 2003*. It summarizes our environmental activities for fiscal year 2003 and presents the concept of environmental conservation-oriented businesses, including the activities of some of our group companies.



### *Environmental Management System*

Since acquiring ISO14001 certification in December 1997, ITOCHU Corporation has promoted the expansion of this environmental certification. In June 2002, ITOCHU Taiwan Corporation became our first overseas trading subsidiary to include itself among the ISO certified. The number of group companies awarded with their own ISO certification increased by 11 to 33 during fiscal year 2003. Furthermore, in addition to assigning environmental coordinators in group companies and overseas offices, we are taking measures to improve environmental conservation and risk management by implementing voluntary environmental management audits at our domestic branches, overseas offices, and group companies that have not acquired ISO certification.

### *Environmental Risk Management*

We manage environmental risk that may occur in the daily conduct of business, evaluate in advance the environmental impact of new investment and development projects, and maintain preparedness for accidents and emergency situations. In fiscal year 2003 there were no accidents or violations of laws or regulations that caused major impact on the environment.

### *Promoting Environmental Conservation-Oriented Businesses*

In April 2002, we established the Sub-Committee on Environmental Businesses Promotion, under the umbrella of the Global Environment Committee, which has begun studying and promoting cross-division businesses. Currently, we have four task forces with personnel from related divisions seeking new business opportunities in their respective areas (please see the table below).

### *Environmentally Friendly Offices*

In addition to our installation of energy-saving equipment and facilities, we are promoting energy saving, waste reduction and sorting by all employees by posting environmental managers and “eco-leader” at all levels of the Company. Since its completion in 1980, our Tokyo headquarters building has been equipped to treat and recycle rain water collected from the building site and kitchen waste water from the employee cafeteria to flush toilets. This system enhances water saving while heightening individual employees’ awareness of the environment.

#### *Sub-Committee on Environmental Businesses Promotion*

Task force	Activities	Task force members
Global Warming Task Force	Investigates the Kyoto Mechanism—joint implementation (JI), clean development mechanism (CDM) and emissions trading (ET).	Selected from Plant, Automobile & Industrial Machinery Company; Energy, Metals & Minerals Company and Chemicals, Forest Products & General Merchandise Company
Heat Island Task Force	Examines measures on heat-resistant paints, rooftop greening programs, etc. to address the heat island issue facing large cities.	Selected from Energy, Metals & Minerals Company and Chemicals, Forest Products & General Merchandise Company
Automobile Recycling Task Force	Examines ways to deal with shredder dust generated from used cars.	Selected from Plant, Automobile & Industrial Machinery Company; Energy, Metals & Minerals Company and Aerospace, Electronics & Multimedia Company
Thermal Recycling Task Force	Investigates appropriate methods of incineration for industrial waste, including construction waste materials.	Selected from Plant, Automobile & Industrial Machinery Company