

17th October, 2018
Nippon CSR Consortium

Version for Public Consultation
17th October – 16th November, 2018

2018 Human Rights Due Diligence Workshop (Tokyo, Japan)
Invitation to Comment on “Human Rights Issues by Sector (draft)”

Since September 2012, the Nippon CSR Consortium has been working to provide a forum in which to identify and discuss negative human rights impacts that may arise as a result of corporate activities. This work has been conducted in collaboration with companies from various industrial sectors, as well as NPOs, NGOs and human rights experts in academia.

The 2018 Human Rights Due Diligence Workshop was held for the seventh year, in the period from the 24th of May to the 12th of July. The participants identified sector specific human rights issues with the use of Human Rights Guidance Tool developed by UNEP FI.

To facilitate the free and deep discussion, this workshop adopts Chatham House Rule. Remarks in the discussion express views of individual participants, not views of representative that belong to companies or organizations. The sole responsibility for the content of this document lies with CRT Japan, as an organizer of Nippon CSR Consortium.

This paper is the result of a series of discussions in the workshop. The Consortium hereby releases “Human Rights Issues by Sector (draft)”

1. Subject

Human Rights Issues by Sector (draft)

2. Application

(1) Consultation Period

From 17th October to 16th November, 2018 (Japan Time)

(2) Submission Address

Please send your comments to CRT Japan’s Nippon CSR Consortium secretariat, by e-mail (yourcomments@crt-japan.jp) as an attached document in Word format. Please kindly be advised that we are unable to accept comments through other methods (such as by telephone, fax, or post), nor are we able to accept anonymous submissions.

(3) Application Procedure

Address to: Secretariat of the Nippon CSR Consortium (in CRT Japan)

Subject: Comment on “Human Rights Issues”

Organization/Affiliation and Name: (Department, Name)

Email and Telephone :

(4) Comments:

We invite public comments on the following questions. In the description of your comments, please specify the industry sector, page number, and concrete issue that your comment addresses. Depending on your needs, please enter your comments on the Public Comments sheet (Appendix 3).

1. Please share any comments on the concept and procedure of this workshop
2. Please freely respond with any comments on “Human Rights Issues by Sector (draft)”
3. The final report is scheduled for publication in December 2018. What kind of format and/or procedure do you consider would be most appropriate for finalizing the report?

(5) Submission and Inquiry

Secretariat of Nippon CSR Consortium (in CRT Japan Office)

E-mail: yourcomments@crt-japan.jp

3. Management and Handling of Comments

The comments on the draft submitted to the Nippon CSR Consortium will be used for the future reference of participants in the discussions. Please note that we are unable to respond to individual comments. All the comments, personal names and/or corporate and organizational names submitted may be disclosed on the CRT Japan website, however addresses, telephone and fax numbers, and addresses of the commenter’s will not be published. If the comments include private information, by which a particular individual can be identified, or any information deemed to damage a property right of an individual person or a corporation, pertinent sections of the text will be deleted at the time of publication.



Hiroshi Ishida
Executive Director, Caux Round Table Japan

Table of Content

1.	Preface	4
1-1.	Purpose of the Human Rights Due Diligence Workshop	4
1-2.	Programme for Identifying Human Rights Issues	5
1-3.	Procedure of the Workshop in 2018	8
1-4.	Points for Consideration	9
2.	Points for collecting Public Comments	9
3.	CRT Japan's viewpoint as the Secretariat of Nippon CSR Consortium.....	10
4.	Human Rights Issues by Sector (draft)	
4-1.	Information, Communication, and Technology	12
4-2.	Chemical and Building Materials.....	15
4-3.	Consumer Goods (Cosmetics and Daily Goods).....	17
4-4.	Food.....	19
4-5.	Pharmaceuticals.....	21
4-6.	Paper and Printing.....	24
4-7.	Consulting.....	26
Appendix 1: Relevance between the UNEP FI and NGO/NPO and subject experts by Sector		
Appendix 2: Report of Stakeholder Engagement Program in Asia		
Appendix 3: Public Comments Sheet		

1 Preface

1-1. Purpose of the Human Rights Due Diligence Workshop

The Nippon CSR Consortium was established in September 2012 to raise awareness and promote activities in the fields of business and human rights by offering a forum in which companies can discuss human rights issues with NGOs/NPOs and human rights experts. Since 2012, the Consortium has held the Human Rights Due Diligence Workshop. In 2012 the 68 participants consisted of 39 companies and 11 organizations, in 2013 the 35 participants were from 15 companies and 12 organizations, and in 2014 the 68 participants were from 34 companies, 17 organizations and others, in 2015 the 98 participants in the first section of the workshop were from 48 companies and 17 organizations. In 2016, the 73 participants were from 40 companies and 14 organizations. In 2017, the 67 participants were from 23 companies and 17 organizations. In 2018, the 60 participants were from 17 companies and 14 organizations.

There are some underlying factors that contributed to the establishment of the consortium. Companies face difficulty in responding to various demands and expectations from a broad range of their stakeholders. Therefore, it is effective and useful for companies to join this consortium, discuss and identify what human rights issues they need to address with NGOs/NPOs, and plan to carry out their human rights activities in their companies. The consortium also emphasizes sustainability of activities. It is important for companies to be committed to continuous efforts for incremental improvement. In order to respond dynamically to a diverse range of issues, it is also important for companies to stay abreast of changes and issues in the society that potentially link their activities to human rights impacts.

The Nippon CSR Consortium positions the workshop as an activity that aims to assist companies in (1) identifying and assessing any actual or potentially adverse human rights impacts as defined in the UN Guiding Principles¹, which are connected to their activities, and (2) integrating and acting upon the findings, (3) reporting, and (4) tracking improvement continuously. We hope participants' companies can use the knowledge acquired at this programme to support their human rights due diligence activities at their companies.

The "Human Rights Issue by Sector (draft)" represents the outcome of the discussions started in May and ended in July 2018, and is hereby opened for public consultation. We would appreciate candid comments on the drafts from stakeholders. The final documents will be issued in December 2018.

Refer to: Human Rights Council, 2011, *Report of the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises*, Available at: <http://www.ohchr.org/documents/issues/business/A.HRC.17.31.pdf#search='report+of+the+special+representative+of+the+secretarygeneral+on+the+issue+of+human+rights+and+transnational> (Accessed Nov 10th, 2014).

1-2. Programme for Identifying Human Rights Issues

In order to assist companies in implementing human rights due diligence, the Consortium conducts discussions on relationships between business activities and human rights. An overview of the past Workshops is explained below.

In the 2012 Workshop, sector specific human rights issues were identified based on UNEP FI Human Rights Guidance Tool². The final report “Human Rights Issues by Sector (2013)” was released.

In 2013, the Workshop further explored “Human Rights Issues by Sector (2013)” from the perspective of the value chain. It was very useful to identify human rights issues throughout the value chain, in order to understand what human rights issue may be arisen by the activities of different departments. The final report “Human Rights Issues by Sector (v.2)” was released in 2013.

In 2014, the Workshop was planned and conducted in order to respond to public comments received in 2013 indicating that “companies need to understand the particular context in which human rights issues arise”. First, the participants examined 31 Global Risks outlined in the World Economic Forum Report³ and they then identified 16 Global Risks which were considered to give the greatest influence on the sectors they belonged to. Then, they explored and identified the interconnectivities between global risks and human rights. This identification was useful for them to understand how social and environmental issues were dynamically interconnected, and to understand the particular contexts in which human rights issues arose. The final report “Human Rights Issues by Sector (v.3)” was issued.

In 2015, the participants examined the points which should be either added, removed or modified in “Human Rights Issues by Sector (v.2)” using the Human Rights Guidance Tool⁴ (2014 revision) developed by UNEP FI. As the main feature of the 2015 Workshop, NGOs/NPOs and subject experts addressed emerging human rights issues in Japan, covering sexual minorities, the empowerment of women and technical intern trainees. In addition, the Workshop was scaled up from 9 sectors in 2014 to 11 sectors in 2015, examining and identifying sector specific human rights issues. The final report “Human Rights Issues by Sector (v.4)” was issued.

The other workshop was held to discuss how to facilitate food procurement in consideration for sustainability at the Tokyo Olympic and Paralympic Games, and issued a draft “Food Vision”⁵ for the 2020 Tokyo Olympics and Paralympics.

The 2016 Workshop addressed the relevance between the SDGs and human rights issues. The year of 2015

² <http://www.unepfi.org/humanrightstoolkit/fundamentals.php> (Accessed on Nov 10th, 2014).

³ http://www3.weforum.org/docs/WEF_GlobalRisks_Report_2014.pdf (Accessed on August, 08, 2014)

⁴ <http://www.unepfi.org/humanrightstoolkit/> (Accessed on July 10th, 2015)

⁵ <http://crt-japan.jp/files2014/2-4-0-olympic2020/pdf/Food%20Vision%20for%20the%20Tokyo%202020%20Olympic%20Games.pdf> (Accessed on August 8th, 2017)

marked the following four significant events: Firstly, at the G7 Summit in Schloss Elmau Germany, G7 leaders pledged to promote responsible supply chains, and strongly supported the UN Guiding Principles on Business and Human Rights. They also stressed the need to develop substantive National Action Plans and strengthen grievance mechanisms. Secondly, at a Session of the United Nations General Assembly in September, the SDGs were adopted. Thirdly, In the UK, the Modern Slavery Act was adopted. And finally, at the UN Climate Conference in Paris COP 21 in December, the Paris Agreement was adopted which will come into effect in 2020. Considering all of these events, the participants identified sector specific human rights issues with the use of Human Rights Guidance Tool developed by UNEP FI, and they identified priorities on the SDGs by sector with the use of the SDG Compass⁶ whilst considering the SDGs and the proposals for the SDGs submitted by NGOs/NPOs at the G7 Ise-Shima Summit. The final report “Human Rights Issues by Sector (v.5)” and “Priorities on the SDGs by sector” was issued.

In 2017, given the raised concerns from NGOs/NPOs, the participants reviewed the sector specific human rights issues formulated by the CSR Consortium as to whether there were any additions/deletions/correction points. This year's workshop was implemented to help companies recognize human rights issues particular to Japan, human rights issues in supply chains in Asia, and trends of institutional investors in Japan. Compared to the composition of corporate participants last year, there were more corporate participants from the consumer goods sector and food sector, whereas there were less corporate participants from the manufacturing sector and infrastructure sector. Also, there were more participants from the human resource department and procurement department. Lastly, over 70% of the participants were new to the workshop.

In 2018, given the raised concerns from NGOs/NPOs, the participants reviewed the sector specific human rights issues formulated by the CSR Consortium last year as to whether there were any additions/deletions/correction points. As a feature of the working of 2018, NGOs/NPOs raised globally increasing concerns such as on marine plastic pollution, SOGI (sexual orientation/gender identification), and the Technical Intern Training Program in Japan. Also, the subject experts shared the trends of Japanese institutional investors. In regards to the composition of the corporate participants, the participation from the chemical and building materials sector, consumer goods sector, and food sector increased significantly from the previous year. In addition, this year, the companies in the pharmaceutical, printing and consulting sectors, which did not identify sector specific human rights issues in the previous year, participated in the workshop. On the other hand, the companies from the manufacturing and transport sectors did not participant in the workshop this year.

As the outcomes of the workshop this year, "Human Rights Issues (Draft) by Sector" and "Relevance between the UNEP FI and NGO/NPO and subject experts by Sector" (attachment 1) were formulated.

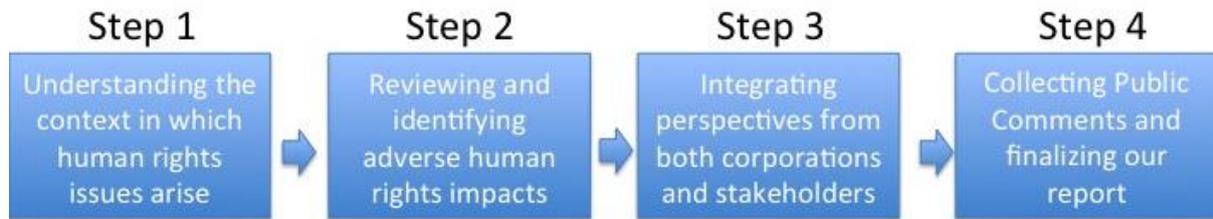
In parallel with this workshop in Japan, at the same time, Caux Round Table Japan initiated the Stakeholder

⁶ <http://sdgcompass.org/> (Accessed on August 15th, 2016)

Engagement Programs in Thailand, Malaysia, and Indonesia. The report of Stakeholder Engagement Program in Asia (attachment 2) was formulated.

1-3. Procedure of the Workshop in 2018

The programme consists of the following four steps.



Step1: Understanding the context in which human rights issues arise

- Corporate participants were given a lecture on the particular context in which human rights issues arise by members of NGOs/NPOs and subject experts. After the lecture, the participants from the company, NGO/NPO, and subject experts sat together by the given topics and discussed further.

Step2: Reviewing and identifying adverse human rights impacts arising from corporate activities

- The participants reviewed the sector specific human rights issues formulated by the CSR Consortium last year as to whether there were any additions/deletions/correction points, using the Human Rights Guidance Tool (2014 revision).

Step3: Integrating perspectives from both corporations and stakeholders

- The corporate participants summarised discussion contents and exchanged their views with NGOs/NPOs and subject experts. After receiving feedback from the NGOs/NPOs and subject experts, the corporate participants finalized their discussion contents by sector. The Secretariat then compiled their work and developed “Human Rights Issues by Sector (draft)”.

Step4: Collecting Public Comments and finalizing our report

- The Secretariat invites public comments on this paper from 17th October to 16th November 2018.

1-4. Points for Consideration

1-4.a Relevance between business operations and human rights

In the beginning of this workshop in 2012, NGOs/NPOs did not have full understanding on how their social and environmental concerns were relevant to business and human rights. Also, corporate participants did not understand how their business operations and human rights were relevant. However, through this workshop, they have started recognizing that social and environmental issues are business and human rights, and business operations and human rights are relevant.

1-4.b Scope of Study and Analysis

The workshop in 2017 does not include the following study and analysis.

- The interconnection map of WEF Global Risks illustrated in “Human Rights Issues by Sector (v.3)” is not discussed or in the scope of analysis.
- “Priorities on the SDGs by Sector” is not discussed or in the scope of analysis.
- The manufacturing sector (Medical Electronic Equipment and Semiconductor and Infrastructure) and the logistic sector in the “Human Rights Issues by Sector (v.6)” are not discussed this year, as companies in these sectors did not participant in the workshop.

2 Points for collecting Public Comments

We invite public comments on the following three points, 1-3. In the description of your comments, please specify the industry sector, page number, and concrete issue that your comment addresses, and the background and reason for your comments. You may use the Public Comments Sheet (Appendix 3) to submit your comments, if you prefer.

1. Please share any comments on the concept and procedure of this workshop.
2. Please freely respond with any comments on “Human Rights Issues by Sector (draft)”.
3. Comments on the format and procedure of the final report

3 CRT Japan's viewpoint as the Secretariat of Nippon CSR Consortium

In international CSR movement, there is a growing demand to address and report human rights issues within companies and in supply chain. Laws and regulations to facilitate transparency and improvement of supply chains continues to progress rapidly. For instance, there are California Transparency in Supply Chains Act, UK Modern Slavery Act, and Trade Facilitation and Trade Enforcement Act of 2015. At the G7 Summit in Schloss Elmau Germany, G7 leaders pledged to promote responsible supply chains, and strongly supported the UN Guiding Principles on Business and Human Rights. The 2017 Corporate Human Rights Benchmark assesses the companies from industries - Agricultural Products, Apparel, and Extractives, and showed the 2017 result of their human rights performance.

Moreover, global companies mainly in the Western countries where they are under scrutiny of civil society and NGO/NPO organizations, are highly conscious of respect for human rights, and addressing human rights. In these countries, management clearly recognizes that human rights issues lead to business risks such as loss of relationships with stakeholders, boycotts and business continuity crisis. Indeed, there are cases that international NGOs pointed out child labor and long work hours at low wages at outsourcing companies of many global companies, leading to the boycotts against them. Under these circumstances, the global companies understand what kind of impact human rights issues may give on business management, respond to human rights issues with high consciousness, and disclose their progress to their stakeholders.

On the other hand, many Japanese companies that are not exposed to scrutiny of civil society and NGO / NPO organizations are less conscious of respect for human rights and are not initiating to address human rights issues. Indeed, they are passively working on human rights issues to respond to questionnaires by rating agencies or to respond to requirements from their business partners. Even if they begin responding to human rights issues, there are obstacles to promote respect for human rights such as low awareness of human rights at top management, organizational barriers, and Japanese specific culture (tendency to behave like those around). In addition, companies in all sectors are making their efforts for the sustainable development goals (SDGs), but they have a strong tendency to focus on creating positive impacts. There are still a few companies in Japan that implement human rights due diligence to assess potential negative impacts on the supply chain that they operate. In recent years, the business environment surrounding has undergone significant changes, and Japanese companies have been required to identify what kinds of human rights issues are present in their supply chains, prevent and mitigate human rights risks, and disclose qualitative and quantitative information on how they address human rights issues. If Japanese companies continue to take makeshift measures, they will not be able to scratch the label of the country with poor awareness of human rights.

Looking further at the Tokyo Olympic Games in 2020, the sideways connection of Japanese NGOs / NPOs has developed rapidly. They started assessing efforts of Japanese companies, and the results of the assessment were announced. Japanese companies must realize that they can afford no further delay in this era. Japan's civil society is rapidly taking "business and human rights" issues more seriously.

This workshop aims for understanding human rights issues on the supply chain of Japanese companies, unique human rights issues to Japan, trends of institutional investors in Japan as expectations from society, and helping Japanese companies to implement human rights due diligence based on the UN Guiding Principles on Business and Human Rights. Through this workshop, the participants have raised their concerns that while M&As with global companies have become more active in recent years, they do not grasp the actual conditions of the companies that they have conducted M&As. Also, they have gained understanding that human rights issues, such as forced labour and child labour at primary suppliers with direct transactions and secondary/tertiary suppliers with indirect transactions, will lead to their business risks. They have also learned that it is necessary to collaborate with even competitors, suppliers, NGOs/NPOs to solve human rights issues.

The lesson from the past workshops is that when companies address human rights related risks, they should conduct dialogues with the people with human rights abuses and NGOs/NPOs to recognize their human rights issues. After they identify the issues, they should address them by utilizing their high expertise and strategies in cooperation with NGOs/NPOs. And at the same time, they should be held accountable for any harm they cause and outcomes of their actions, as well as should enhance their transparency by disclosing information in order to ensure legitimacy of their business operations. By doing so, companies can earn “License to Operate” and trust from stakeholders which becomes a backbone for corporate sustainable competitiveness in the long run.

Caux Round Table Japan
Nippon CSR Consortium
Minoru Matsuzaki
Hiroki Wada

4.1 Information, Communication and Technology Sector (ICT)

Key human rights issues in the ICT sector			Concrete issues	Value Chain					
				Create	Create/ Produce	Procure	Produce	Sell/ Use	Discard
Stakeholder			Employee	●	●	●	●	●	●
			Supplier, second-tier supplier (order destination)	●	● downstream process		●	●	
			Equipment vendor (suppliers)			● delivery			● recycle
			Community (local community and resident)	●		●	●		●
			Customer (client)	● prototype test	● requirement definition		● test inspection	●	
Core operation/ Supply chain	Workplace conditions	Working hours and wage	<ul style="list-style-type: none"> In the event that the progress of development is delayed or when it takes some time to solve troubles, forcible long-time work (including holiday work) may occur for employees and suppliers to keep the delivery date [Creat/Produce, Produce] In the event of a system failure, compulsory long-term work (including holiday work) may occur for employees and suppliers to make a prompt recovery [Sell / Use] Suppliers and equipment vendors may force their employees to work long hours or may not make a proper overtime payment to them (especially overseas suppliers and equipment vendors, second-tier suppliers who do not have direct transactions*) [Create/Produce, Procure, Produce, Sell/Use, Discard] <p>*Although domestic suppliers are allowed to re-outsource (secondary suppliers), they are prohibited to re-outsource. Therefore, there is no third-tier supplier. We are also prohibited to re-outsource overseas suppliers.</p>		✓	✓	✓	✓	✓
		Health and safety	<ul style="list-style-type: none"> Health, especially mental health of people may be harmed due to compulsory long hours work caused by occurrence of unexpected events such as development delay or system failure [Create/Produce, Produce, Sell/Use, Discard] Overseas suppliers and equipment vendors who perform some or all processes overseas may not have sufficient occupational safety and health due to political and economic factors different from Japan [Create/Produce, Procure, Produce, Sell/Use, Discard] Safety and health risks may arise in facility inspection / maintenance work etc. in the data center (Produce, Sell/Use) 		✓	✓	✓	✓	✓
	Discrimination	Employment, during work, dismissal	<ul style="list-style-type: none"> Discrimination in gender during work at office may be conducted [Create/Produce, Procure, Produce, Sell/Use, Discard] Harassment during work may occur [Create/Produce, Procure, Produce, Sell/Use, Discard] Discrimination in treatment due to difference in employment forms may occur [Create/Produce, Procure, Produce, Sell/Use, Discard] 	✓	✓	✓	✓	✓	✓
	Freedom of association and collective bargaining	Conflict with local law	<ul style="list-style-type: none"> In recent years, M&A has increased the number of overseas subsidiaries. In addition to overseas subsidiaries, suppliers (primary, secondary, particularly overseas), overseas equipment vendors, freedom of association and the possibility of collective bargaining rights may not be secured. [Create/Produce, Procure, Produce, Sell/Use, Discard] 		✓	✓	✓	✓	✓

Key human rights issues in the ICT sector			Concrete issues	Value Chain					
				Create	Create/Produce	Procure	Produce	Sell/Use	Discard
Stakeholder			Employee	●	●	●	●	●	●
			Supplier, second-tier supplier (order destination)	●	● downstream process		●	●	
			Equipment vendor (suppliers)			● delivery			● recycle
			Community (local community and resident)	●		●	●		●
			Customer (client)	● prototype test	● requirement definition		● test inspection	●	
Community	Resources	Use of natural resources (water etc.)	<ul style="list-style-type: none"> Use of energy and water that takes the environment into consideration at data centre and business site (e.g. energy saving, responsible power source management). [Produce, Sell/Use] Negative impact may be given on living rights of communities given by noise and odour emissions arising from data centre and business site. [Produce, Use] Potential risks of environmental pollution caused by inappropriate discard of electronic devices. [Discard] Conflict minerals may be used in procured equipments.[Procure] 			✓	✓	✓	
	Security	Non-state groups and security payments	<ul style="list-style-type: none"> Foreign subsidiaries, suppliers (primary, secondary, especially overseas) and overseas equipment vendors may pay money to non-government forces [Create, Create/Produce, Procure, Produce, Sell/Use, Discard] Private security guards at offices that are occupied as tenants and private security guards at the data center may violate local residents [Create, Create/Produce, Procure, Produce, Sell/Use, Discard] 	✓	✓	✓	✓	✓	✓
	Access to land	Title of land Forced migration	<ul style="list-style-type: none"> There may be forced migration at the time of purchasing land for construction of business site and data center. [Create, Create/Produce, Procure, Produce, Sell/Use] 	✓	✓	✓	✓	✓	✓
	Community investment		<ul style="list-style-type: none"> Positive actions such as correcting information gaps, helping people to make a better living, and improving the environment through IT services and information provision [Create, Create/Produce, Produce, Sell/Use] Positive impact on improvement of the local infrastructure through the establishment of an ICT network system [Sell/Use] Suspension of service due to electrical and technical troubles may threaten social life of users. [Sell] Provision of social infrastructure including communication services [Procure, Create, Procure, Sell] Realization of universal access and universal design (all people can use information or information communication system regardless of social, hierarchical, regional differences) [Create, Create/Produce, Produce, Sell/Use] 	✓	✓	✓	✓	✓	
	Health and safety		<ul style="list-style-type: none"> There may be negative impact on the physical and mental health of the local residents due to noise and odor at the data center [Produce, Sell/Use] Suspension of services due to electricity or technical troubles may threaten the comfortable life of users [Sell/Use] Health hazard may occur at the time of equipment disposal [Discard] 				✓	✓	✓

Key human rights issues in the ICT sector			Concrete issues	Value Chain					
				Create	Create/Produce	Procure	Produce	Sell/Use	Discard
Stakeholder			Employee	●	●	●	●	●	●
			Supplier, second-tier supplier (order destination)	●	● downstream process		●	●	
			Equipment vendor (suppliers)			● delivery			● recycle
			Community (local community and resident)	●		●	●		●
			Customer (client)	● prototype test	● requirement definition		● test inspection	●	
Society and government	Relations with governments	Relations to states with poor human rights records	<ul style="list-style-type: none"> Legislation and oversight are not sufficient, and fair working environment may not be protected [Create, Create/Produce, Procure, Produce, Sell/Use, Discard] Land ownership of ethnic minorities may be deprived during land acquisition. [Create, Create/Produce, Procure, Produce, Sell/Use, Discard] It may be difficult to decline the request from the state power to provide personal information in data center and cloud service [Sell/Use] Possibility to infringe on freedom of expression [Sell/Use] 	✓	✓	✓	✓	✓	✓
		Bribery and corruption	<ul style="list-style-type: none"> Because legislation and oversight are not sufficient, there are potential risks of being involved in bribery and corruption in value chain Procure, Sell/Use, Discard] 			✓		✓	✓
		Business in conflict countries	(Currently, we do not conduct business activities in conflict countries, and we are unlikely to do it in the future. And, we do not deal with suppliers and equipment vendors in conflict countries, and we are unlikely to do it in the future)						
	Relations with society	<ul style="list-style-type: none"> Potential risks of being complicit in activities of terrorist and criminal groups through the use of current and future digital technology [Sell/Use] Potential risks of being complicit in crime and human rights violations through the unintended use of current and future digital technology [Sell/Use] 					✓		
Consumers	Relations with consumers	Protect and management of personal information	<ul style="list-style-type: none"> Personal information and information related to privacy, kept from customers, may be leaked, lost or destroyed by deliberate or negligent act*. [Produce, Sell, Discard] *We own personal information of officers and employees, persons in charge of supplier, persons in charge of equipment vendors, but we do not currently own personal information of consumers directly. We are unlikely to do so in the future. 					✓	✓

4.2 Chemical and Building Materials Sector

Key human rights issues in chemical and building materials sectors			Concrete issues	Value Chain									
				Research	Development	Procure	Produce	Transport	Sell	Use	Discard	Subcontractor Onsite Subcontractor	
Core operation/ Supply chain	Workplace condition	Working hours	<ul style="list-style-type: none"> As a feature of B to B companies, there may be overtime work as they receive orders without due consideration of resources (one's company and supply chain). There is not enough understanding on the degree of working hours management according to different working conditions depending on country/areas (supply chain). 	✓	✓	✓✓	✓✓	✓	✓✓			✓✓	
		Health and safety	<ul style="list-style-type: none"> There are relatively sources of risks in the workplace environment, as manufacturers use hazardous substances (chemical substances) and large scale facilities (one's company and supply chain). Insufficient information on chemical substances from suppliers may cause health damage to employees in one's company and final consumers (one's company and supply chain). If we outsource companies with poor ethical values to conduct safety tests or functionality tests through people, human rights issues may arise (supply chain). 	✓	✓	✓	✓✓	✓	✓	✓	✓✓	✓✓	
		Disciplinary measures	<ul style="list-style-type: none"> Because the customs of disciplinary measures differ largely according to each country or area, the developed disciplinary policies may not conform to the country or area (one's company). Placement of grievance mechanisms available for disciplined persons may be insufficient (one's company). The customs of disciplinary measures differ largely according to each country or area, it becomes difficult to grasp the actual practices of disciplinary action at suppliers's sites (supply chain). 	✓	✓	✓	✓	✓	✓	✓			
	Discrimination	During work	<ul style="list-style-type: none"> Cases of discrimination issues which are raised as social problems differ depending on region and time (for instance, discrimination against sexual minorities was raised in the workshop in 2015). Elimination of discrimination during work globally remains unsolved (one's company and supply chain). A delay in the improvement of the working environment for people with disabilities may lead to human rights problems (one's company and supply chain). While the EU General Data Protection Regulation is being strengthened even in Japan, full measures are not taken to respect the privacy of employees and protect personal information (one's company and supply chain). 	✓	✓	✓	✓	✓	✓	✓	✓	✓	
		Redundancy and dismissal	<ul style="list-style-type: none"> Clear and acceptable selection standards may not be presented to the target person during redundancy and dismissal (one's company and supply chain). Because adequate communication is not implemented based on the selection standards of surplus personnel, this may take a legal case (one's company and supply chain). 										
	Child Labour	Risks to children	<ul style="list-style-type: none"> Possibility in supply chain 			✓							
		Minimum age	<ul style="list-style-type: none"> Possibility in supply chain 			✓							
		working hours and conditions of employment	<ul style="list-style-type: none"> Possibility in supply chain 			✓							
		Employment of young workers	<ul style="list-style-type: none"> Possibility in supply chain 			✓	✓			✓	✓		

Key human rights issues in chemical and building materials sectors			Concrete issues	Value Chain										
				Research	Development	Procure	Produce	Transport	Sell	Use	Discard	Onsite Subcontractor	Subcontractor	
Core operation/ Supply chain	Forced Labour	Deposits and papers	<ul style="list-style-type: none"> The presence or absence of migrant workers is not globally and comprehensively identified. When forced labour occurs, companies may face great reputational risks (supply chain). 			✓							✓	
		Forced overtime	<ul style="list-style-type: none"> As a feature of B to B companies, they may demand forced overwork when receiving orders without due consideration of resources (volunteer overtime work is regarded as overtime work) (one's company and supply chain). 	✓	✓	✓	✓	✓	✓	✓			✓	✓
		Trafficking in human	<ul style="list-style-type: none"> The presence or absence of migrant workers is not globally and comprehensively identified. When forced labour occurs, companies may face great reputational risks (supply chain). 		✓	✓								
	Freedom of association	Freedom of association and collective bargaining	<ul style="list-style-type: none"> Labour-management negotiations may not be properly conducted (one's company and supply chain). Employees may not have a means to discuss issues related to labour without interference of companies (one's company and supply chain). 	✓	✓	✓	✓	✓	✓			✓	✓	
		Conflict with local law	<ul style="list-style-type: none"> If labor-management negotiations are not properly conducted, there is a risk that production will suspend due to the occurrence of strikes and boycotts. (one's company and supply chain) Employees may not have a means to discuss issues related to labour without interference of companies. (one's company and supply chain) 	✓	✓	✓	✓	✓	✓			✓	✓	
Community	Resources	Use of natural resources	<p>As a chemical company, we are working on reduction of environmental impact and proper management of chemical substances, but the following are listed as potential human rights tasks.</p> <ul style="list-style-type: none"> The industry may give a huge impact to local communities, as it uses a relatively large amount of resources. Also, it may cause pollution damage to the communities by outflows of hazardous materials and exposure to them. (one's company and supply chain) Possible risks of water depletion due to excessive use of water and deforestation by construction of factories. (supply chain) Impact may be given to local communities due to the depletion of natural resources. (supply chain) 			✓	✓					✓		
Society and government	Relations with governments	Bribery and corruption	<ul style="list-style-type: none"> If companies pay huge surcharge by expanding extraterritorial application of laws and regulations related corruption, their stakeholders such as employees and investors may be affected. (one's company and supply chain). Bribery to foreign public officials and excessive treatment for them, risks of payment to smoothen transactions, risks of receiving business suspension order by not carrying out these (one's company and supply chain) 	✓	✓		✓	✓	✓		✓			
		Gov'ts with poor human rights records	<ul style="list-style-type: none"> Companies may pose a risk of being complicit in human rights violations as operating in countries that are not actively addressing human rights and procuring from countries that are not addressing human rights such as conflict minerals (one's company and supply chain). There is a possibility that gaining permits from the local government leads to a risk of being complicit in human rights violations (reputational risks and risks of being complicit in human rights violations due to operations in countries with poor recognition on human rights (one's company and supply chain). Profits may be squeezed as resources are needed for activities to raise awareness of human rights (one's company). 		✓	✓	✓	✓	✓	✓	✓	✓	✓	

4.3 Consumer Goods (Cosmetics and daily goods) Sector

Key human rights issues in consumer goods sector			Concrete issues	Value Chain						
				Development	Research	Procure	Produce	Transport	Sell	Use
Core operation / supply chain	Working Conditions	Working hours	<ul style="list-style-type: none"> Long working hours may be caused by (a) production schedules that presuppose overtime work, as well as attempts to catch up to delays in production schedules in upstream supply chain, (b) low wages that do not match local standards of living, (c) piece-rate work, and (d) repair work of a large volume of defective products or products which need adjustments. Long hours of work may occur due to excessive response for customers and increase of man-power by ambiguous targets. There is a possibility that labor management may be inadequate, or rest days required by law may not be intentionally given, and limits of overtime hours may not be upheld. 	✓	✓	✓	✓	✓		
		Wages	<ul style="list-style-type: none"> Pressure of cost reduction from buyers may lead to non-compliance with minimum wages. Frequent revisions of minimum wages in some countries may lead to non-compliance with minimum wages. Proper rewards for overtime hours may not be paid due to poor compliance with laws/regulations and inadequate labour management. Equal pay for work of equal value may not be practiced. Fair compensation according to productivity may not be paid. 	✓	✓	✓	✓	✓		
		Health and safety	<ul style="list-style-type: none"> Education on health and safety, including disaster drills, first-aid drills, and handling instructions on toxic chemical substances may not be thoroughly conducted. Health hazard may occur due to Insufficient efforts to improve a harmful working environment to workers' health (loud noise, vibrations, illuminance, room temperature, ventilation and exhaust). Risks of having pregnant women and young people engage in dangerous or injurious work. Workers may be exposed to danger due to aging buildings, illegal constructions, insufficient emergency exits and evacuation passages. 	✓	✓	✓	✓			
		Harassment	<ul style="list-style-type: none"> Workers may be exposed to physical, sexual, mental or verbal harassment and abuse. 	✓	✓	✓	✓	✓		
	Working Conditions	Disciplinary measures	<ul style="list-style-type: none"> Improper content of employment rules may cause improper disciplinary measures and treatments. Grievance mechanism may not be put in place. 	✓	✓	✓	✓	✓		
	Discrimination	During employment During work During use	<ul style="list-style-type: none"> Unequal recruitment/recruitment may be conducted based on disability, LGBT, religion, race, age and gender. Unequal treatment in opportunities for promotion, training and working conditions may be practiced based on disability, LGBT, religion, race, age and gender. Unequal treatment in use may be practiced based on disability, LGBT, religion, race, age and gender. 	✓	✓	✓	✓	✓	✓	

Key human rights issues in consumer goods sector			Concrete issues	Value Chain							
				Research Development	Procure	Produce	Transport	Sell	Use	Discard	
Core operation / supply chain	Child labour	Minimum age	<ul style="list-style-type: none"> Children under the minimum age may be working without verification of their identify, or based on counterfeit identification. Children under the minimum age may be exposed to child labour due to poverty. Children may be exposed to child labour in places such as plantations. 		✓	✓					✓
	Forced or compulsory labour	Forced overtime Human trafficking	<ul style="list-style-type: none"> Workers may be forced to work by violence, the threat of violence, or any other form of coercion. Labor contracts (employment contracts) are not explicitly stated in the document, and workers may be forced to work under unfavorable working conditions. Vulnerable immigrants, refugees, technical interns may be exposed to forced labour. 		✓	✓	✓				
	Freedom of association		<ul style="list-style-type: none"> The formation of labour unions and collective bargaining may be refused without any legitimate reason. Poor treatment or dismissal to union members may be practiced. Workers may get fired due to participating in strikes. 	✓	✓	✓	✓	✓			
Community	Resources	Water stress	<ul style="list-style-type: none"> Use of a large amount of water and pollution of rivers by the inflow of toxic chemical materials may cause an adverse impact on the local environment and health of local residents living in affected areas. 		✓	✓					
		Terrestrial resources	<ul style="list-style-type: none"> Manufacturing products may cause an adverse impact on the protection of forest eco-systems. 	✓	✓	✓	✓				
		Marine resources	<ul style="list-style-type: none"> Manufacturing plastic products may cause an adverse impact on the protection of marine eco-systems. 	✓					✓	✓	
		Waste disposal	<ul style="list-style-type: none"> Leaving waste and dumping waste illegally may be practiced due to not using proper agents. Failure to tackle waste reduction may adversely affect the environment. 	✓	✓	✓	✓	✓	✓	✓	
Society and government	Relations with governments	Bribery and corruption	<ul style="list-style-type: none"> Bribery may be demanded when acquiring license at each stage of the value chain. 	✓	✓	✓	✓	✓			
Consumer	Relations with consumers	Health and Safety	<ul style="list-style-type: none"> Responding to changes in consumer consciousness, developing an ethical market, creating positive action to promote a fair trade may be inadequate. 	✓					✓	✓	
			<ul style="list-style-type: none"> Inadequate efforts to increase the quality and safety of goods, and to mitigate risks for consumers. 	✓	✓	✓	✓	✓	✓	✓	
			<ul style="list-style-type: none"> Inadequate efforts to improve the traceability of materials and products. 	✓	✓	✓	✓	✓	✓	✓	
			<ul style="list-style-type: none"> Insufficient efforts to solve consumer issues through innovation. 	✓							

4.4 Food Sector

Key human rights issues in food sector			Concrete issues	Value Chain						
				Developme	Research	Procure	Produce	Transport	Sell	Consume
Core operation / Supply chain	Workplace conditions	Working hours	<ul style="list-style-type: none"> Long working hours may occur at all work in own manufacturing factories including those of suppliers, and in logistics drivers. When production such as seasonal items concentrates, forced labour may occur to keep the delivery date. 	✓	✓	✓	✓	✓		✓
		Wages	<ul style="list-style-type: none"> Wage levels do not match the local standard of living. Proper wages are not paid to workers due to the application of piece-rate work in palm farms and fishing grounds. Introducing efforts like fair trade effectively to the society enables to increase consumer`s safety and corporate value, as well as pay appropriate wages to local workers. Improper low wages under the Technical Intern Training Program. 	✓	✓	✓	✓	✓	✓	
		Health and safety	<ul style="list-style-type: none"> The health and safety of employees and workers may be threatened due to excessive work, inadequate measures against work-related accidents, handling of chemical substances including agrichemicals, and dangerous work in a process of manufacturing products including raw material suppliers and a process of research and development (Employee = Perspective of Persons with Disabilities). In order to reduce risks, it is important to consider cultural differences such as color barrier-free (consideration of coloring) and direction of opening and closing the door. Accidents may occur during operation of work vehicles. 	✓	✓	✓	✓	✓	✓	
	Discrimination	Employment	<ul style="list-style-type: none"> Discrimination may occur during the recruitment process, based on race, gender, religion, origins including overseas, sexual orientation, sexual recognition, disabilities, ethnicity and beliefs. 	✓	✓	✓	✓	✓	✓	✓
		During work	<ul style="list-style-type: none"> Safety education may be fully given to workers* including foreign employees, disabled persons and temporary workers. Also, they may receive unequal treatment in safety education. *The term of "Workers" is applied as followed. Workers may be forced to unstable employment form. Sexual, power, maternity, SOGI harassment. 	✓	✓	✓	✓	✓	✓	
		Assessment, Treatment, Dismissal	<ul style="list-style-type: none"> Discrimination may occur in assessment and treatment based on race, gender, religion, origins, sexual orientation, disability, ethnicity, beliefs, sexual recognition, medical history (HIV etc), care for family members, and Infertility treatment. 	✓	✓	✓	✓	✓	✓	
	Child labour Elderly labour	<ul style="list-style-type: none"> Child labour under the minimum labour age may occur. Children may lose the right to education. Children may suffer from mental and health problems. 	✓	✓	✓	✓	✓	✓		
	Employment under 18 years of age	<ul style="list-style-type: none"> Involvement in night labour and dangerous labour 	✓	✓	✓	✓	✓	✓		
	Forced or compulsory labour	<ul style="list-style-type: none"> Forced labour against immigrant workers may occur. Illegal immigrants may receive inhumane treatment. Exploitation of technical intern trainees in Japan and their involvement in dangerous work. Slave labour in the procurement process of agriculture, forestry and fisheries may occur. There may be long working hours due to excessive requests from business partners. 		✓	✓	✓	✓	✓		
	Freedom of association and collective bargaining	Conflict with local law	<ul style="list-style-type: none"> Freedom of association and the rights of collective bargaining under international human rights law may not be fully ensured in countries in which unions are not permitted, or unions are permitted but poorly implemented. 	✓	✓	✓	✓	✓	✓	

Key human rights issues in food sector			Concrete issues	Value Chain							
				Developme	Research	Procure	Produce	Transport	Sell	Consume	Discard
Community	Resources	Use of natural resources	<ul style="list-style-type: none"> Due to large-scale agriculture, fishery and forestry at suppliers of raw materials, communities may face a decrease in agricultural production and catches of fish. Impact on access to water, local ecological systems, and lives and traditions of local and Indigenous people. A single crop production (switch to cash crops) may cause the loss of a self-sufficient food system. Due to construction of factories, local people may lose the access right to water. 			✓	✓	✓			
	Access to land	Title to land	<ul style="list-style-type: none"> Titles to the land of local people or indigenous groups may be ignored, especially when constructing such as fields, ponds, factories/manufacturing sites. Deprivation of the rights of local people may occur due to the enclosure of agricultural lands. 			✓	✓				
	Investment to community		<ul style="list-style-type: none"> The withdrawal of local factories and projects may reduce employment in the surrounding area and the market may decline. 	✓	✓	✓	✓	✓	✓	✓	✓
Society and government	Relations with governments	Bribery and corruption	<ul style="list-style-type: none"> In establishing factories and gaining marketing rights (marketing license), companies may be demanded for bribes to acquire lands and permissions. 			✓	✓		✓		
	Investment to community		<ul style="list-style-type: none"> The occurrence of human rights violation caused by adhesion between the sending agency and the relevant government. 			✓	✓		✓		
Consumer	Health and safety	Provision of proper information	<ul style="list-style-type: none"> Incorrect food labeling may cause health hazard to consumers. Incorrect understanding may be created by not informing consumers of the right knowledge on food. Realization of provision of information that does not depend on language by utilizing "Pictogram" that Japan disseminates to the world. 						✓	✓	
		Responsible marketing	<ul style="list-style-type: none"> Improper marketing may lead consumers (especially minors) to develop poor eating habits. Appropriate nutritional guidance and support for local children can be realized with buying power. Inappropriate advertising and PR may cause more discrimination. 	✓	✓				✓	✓	
		Quality control	<ul style="list-style-type: none"> Inadequate quality control may harm consumers' health. Intentional quality obstruction (food defense). 	✓	✓	✓	✓	✓	✓	✓	
	Privacy Protection		<ul style="list-style-type: none"> Risks of leaking personal information gained through consumer campaigns, mail order sales, and member registration. (contractor is also considered) Addressing the EU General Data Protection Regulation. 					✓	✓	✓	

4.5 Pharmaceutical Sector

Key human rights issues in pharmaceutical sector			Concrete Issues	Value Chain							
				Research	Develop	Procure	Produce	Transport	Sell	Consume	Discard
Core operation/ Supply chain	Work conditions	Working hours	<ul style="list-style-type: none"> • Long working hours may occur due to concentration of clinical trial on developed products, concentration of production due to approval of new products, increased production due to pandemic occurrence, and product recall. • Long working hours may occur due to excessive customer support. • Long working hours may occur due to insufficient labor management based on labor laws of each country / region. 	✓	✓	✓	✓	✓	✓	✓	✓
		Wage	<ul style="list-style-type: none"> • Wage standard may not conform to living standard in the area. • Proper wages for overtime work may not be paid due to non-compliance with labor laws of each country / region. • There may be unfair low wages in foreign technical internship program 	✓	✓	✓	✓	✓	✓	✓	✓
		Health and safety	<ul style="list-style-type: none"> • The use of chemical compounds or/and pharmaceutical products, animals and cells without adequate protections may endanger the health and safety of employees. • Health and mental damage may occur due to long working hours. 	✓	✓	✓	✓	✓	✓	✓	✓
		Health and safety	<ul style="list-style-type: none"> • During the clinical development stage of pharmaceutical production, the health and safety of subjects may not be managed properly due to poor ethics of contract research organizations. Moreover, there may be fraud in clinical trials and data. 		✓						
		Disciplinary actions	<ul style="list-style-type: none"> • Unfair disciplinary actions may be executed by companies. • Unfair disciplinary actions may be executed due to the fact that no whistle-blower system has been established. 	✓	✓	✓	✓	✓	✓	✓	✓
	Discrimination	Employment	<ul style="list-style-type: none"> • Discrimination may occur based on sex, age, race, religion, SOGI, presence or absence of disability. 	✓	✓	✓	✓	✓	✓	✓	✓
		During work	<ul style="list-style-type: none"> • Harassment (sexual harassment, power harassment, maternity harassment, SOGI harassment) • Discrimination may occur based on gender, age, race, religion, SOGI, presence of disability, differences in employment form. • Unstable employment form may be forced. 	✓	✓	✓	✓	✓	✓	✓	✓
		Redundancy and dismissal	<ul style="list-style-type: none"> • Organized dismissal may occur based on sex, age, race, religion, SOGI, presence of disability. • Unfair pressure may be given based on differences in employment form. 	✓	✓	✓	✓	✓	✓	✓	✓

Key human rights issues in pharmaceutical sector			Concrete Issues	Value Chain								
				Research	Develop	Procure	Produce	Transport	Sell	Consume	Discard	
Core operation/ Supply chain	Child labour	Legal compliance to employment age Employment under 18 years of age	<ul style="list-style-type: none"> • Child labor under the minimum age of each country may be conducted. • The following problems may arise if young workers are hired under the age of 18. <ul style="list-style-type: none"> - Loss of educational opportunities - Exploitation - Mental and physical damage 	✓	✓	✓	✓	✓	✓	✓	✓	
	Forced or compulsory labour	Forced or compulsory labour	<ul style="list-style-type: none"> • Immigrants, refugees, foreign technical intern trainees may be engaged with forced labour by being taken disadvantage of their vulnerable positions. 	✓	✓	✓	✓	✓	✓	✓	✓	
	Freedom of association and collective bargaining	Freedom of association and collective bargaining	<ul style="list-style-type: none"> • Participation in labor unions and similar organizations may be obstructed due to retaliation, intimidation or harassment from business people. 	✓	✓	✓	✓	✓	✓	✓	✓	✓
Community	Resources	Use of natural resources	<ul style="list-style-type: none"> • Bio-piracy may occur in sourcing natural compounds that are essential for drug development. 	✓		✓						
	Environmental Impact of pharmaceutical products	Health and safety	<ul style="list-style-type: none"> • The environment may be polluted by a leakage of animals, cells, pharmaceutical products and chemical compounds to nature. • The health of residents may be harmed due to the environmental pollution. And, the environmental pollution may spread to animals and plants that residents live on. 	✓			✓	✓		✓	✓	
Relations with governments	Operations in pre and post conflict countries	Risks of providing products	<ul style="list-style-type: none"> • Products may not be provided to people in needed due to unstable social situations. 					✓				
	Entry post conflict countries	Risks of providing products	<ul style="list-style-type: none"> • Products may not be provided to people in needed due to unstable social situations. 					✓				
	Bribery and corruption	Relations with approved persons	<ul style="list-style-type: none"> • Illegal acts may be conducted for authorities (central governments and local governments) to make a smooth approval for manufacturing and selling. 		✓		✓	✓				
		Relations with medical persons	<ul style="list-style-type: none"> • Illegal acts may be conducted to request to create data that gives advantage in sales and promotion and falsified data on clinical trials and prescription. 		✓	✓			✓			
Relations with governments	Gov'ts with poor human rights records	<ul style="list-style-type: none"> • Company's support for national / local public health measures may be used for propaganda by authorities with poor human rights awareness, and for individuals with political beliefs. • Improper treatments may be given due to insufficient governmental counter measures against counterfeit medicines. 					✓		✓			

Key human rights issues in pharmaceutical sector			Concrete Issues	Value Chain							
				Research	Develop	Procure	Produce	Transport	Sell	Consume	Discard
Consumers	Relations with patients	Health and safety	• Insufficient measures may be taken for elimination of counterfeit medicines.				✓	✓		✓	✓
			• Health hazard may occur due to delay of report on side effects.					✓	✓		
			• Injury may occur due to product failure.						✓	✓	
			• Investigational new products and therapeutic products to the patient may be given without prior informed consent.		✓				✓	✓	
			• Side effects due to medication or incorrect medication may cause health hazard to the patient.						✓		
			• Damage to the environment may be caused by inappropriate disposal of medicines that the patient can not use (It becomes a problem in the United States that medicines are disposed in toilets).						✓	✓	
			• Inappropriate prescription / treatment may be given due to exaggerated PR of product information.						✓	✓	
	• Decline in medical access in depopulated areas may result in failure to properly provide drugs in a timely manner.						✓	✓			
	Responding to rare diseases	• Treatment for rare diseases may not be given due to shortage of medicines.	✓						✓		
others	Public health	Actions to pandemic	• New pandemic virus may endanger lives of people and deteriorate the public health of communities.	✓						✓	
			• Social unrest and security deterioration caused by pandemic may hinder business activities and make it difficult for drugs to be supplied.				✓	✓	✓	✓	
			• Supply of therapeutic products may be delayed when new strains of pandemic influenza breaks out.				✓	✓	✓	✓	
	Personal information	Management of disease information of individuals	• When personal data such as genetic information may be lost, individuals may be identified. Also, personal data may be used illegally.	✓	✓				✓		

4.6 Printing (Publishing and Advertising) Sector

Key human rights issues in printing sector			Concrete issues	Value Chain							
				Produce	Plan	Procure	Produce	Transport	Sell	Use	Discard
Core operation/ Supply chain	Working conditions	Working hours	<ul style="list-style-type: none"> Risks of long working hours in sales and marketing department, produce department, in the factory, at suppliers and subcontractors. 	✓			✓	✓	✓		
		Health and safety	<ul style="list-style-type: none"> Risks that workers face printing press accidents Potential cancer risks caused by the use of chemical materials in enclosed spaces with inadequate ventilation, and in printing factories. Risks of health hazards and water pollution due to a leak of chemical substances. 				✓				
	Discrimination	During work	<ul style="list-style-type: none"> Foreign workers may be subject to lack of health and safety education due to language barriers. Foreign workers may receive unfair treatment in wages. 				✓	✓			
	Child labour	-	<ul style="list-style-type: none"> There could possibly be child labour within the supply chain (at subcontractors, and Asian factories where products for give-away campaigns are made) 			✓	✓				
	Forced or compulsory labour	Forced overtime work	<ul style="list-style-type: none"> A decrease in printing demand causes a decrease in printing facilities. During the busiest times of the year such as the end of the year and at the end of the term, work concentrates in factories with full facilities. Under this circumstance, there are more risks of overtime work, temporary employment and dismissal of workers including foreign workers. 	✓		✓	✓	✓			
		Prison labour	<ul style="list-style-type: none"> Prison labour (known as “keimusagyo” (“prison industry”) in Japanese) may be used and workers may not receive adequate payment. However, printing business that offers printing services at half price is emerging. It is expected that printing order from private sectors will decrease. It is necessary for an industry organization and private companies to observe printing work that uses prison labor. 			✓	✓				

Key human rights issues in printing sector			Concrete issues	Value Chain							
				Produce	Plan	Procure	Produce	Transport	Sell	Use	Discard
Consumer	Relations with consumers	Protection and storage of personal data	<ul style="list-style-type: none"> With changes in management system of personal information such as application of national identification number, there may possibly a risk of a leak of personal data that the printing sector deals with. It is anticipated that a new business model in the printing sector will accelerate a price decline and grow in the market. There may possible a risk of inappropriate management of personal information and a risk of poor checks of printing records by business models placing price priority. 	✓		✓	✓	✓	✓	✓	✓
		Human rights violation in advertisement expression	<ul style="list-style-type: none"> Expression in printed materials mainly advertising may infringe human rights of socially vulnerable people such as children and may have a negative influence on them. 	✓					✓	✓	
Community	Resources	Use of natural resources	<ul style="list-style-type: none"> Raw materials using illegally logging may be used. For paper suppliers, it is necessary to investigate the legality of timber to suppliers. 			✓					

5.11.1 Value Chain
Develop : R&D, survey, planning of audit
Procure : procurement of office space, equipment, supplies, materials, procurement of IT (hardware, software and indirect materials such as data center site, materials, electricity, fuel and water), intellectual assets (books, paid reports, etc.), **events / training space, various online services, etc.**
Outsource : **outsourcing to partner companies**
Provide : planning, proposal, research report, audit plan / preparation, sales / proposal / consignment (face to face / net), consulting · providing audit services
Use : **use of the provided service (including service) at the client side**

4.7 Consulting Sector

Key human rights issues in business operations of one's company in consulting sector

Key human rights issues in consulting sector			Concrete issues	Value Chain					
				Develop	Procure	Outsource	Provide	* Use	* Discard
Core operation/ Supply chain	Workplace conditions	Working hours	<ul style="list-style-type: none"> Risks of exposing employees, etc to excessive work under the name of offering services to clients. Work has the self-contained nature. Thus, employees with high aspiration may overwork to complete tasks which do not involve instructions of companies and supervisors. 	✓		✓	✓		
		Wages	<ul style="list-style-type: none"> Proper overtime wages to excessive work and long working hours may not be paid. 	✓		✓	✓		
		Health and safety	<ul style="list-style-type: none"> Mental health problems may occur due to Long working hours and excessive stress caused by particular work. Progression of diseases by non-health check-ups. Safety risks when entering and leaving working places of clients Long travelling hours and distances may cause a heavy burden on mental and physical healths, and may expose employees to risks of being involved in accidents. 	✓		✓	✓		
	Discrimination	Employment	<ul style="list-style-type: none"> Employees may be hired without being appropriately assessed. 	✓		✓	✓		
		During work	<ul style="list-style-type: none"> There are risks of discrimination or unfair treatment in training, assignment, assessment and promotion based on race, gender, sexual orientation, sexual recognition, religion, and culture, because a project team consists of multi-national members. Female workers may face discrimination or unfair treatment in training, assignment, assessment and promotion after taking maternity leave. Temporary employees, etc may be forced to do a non-contractual work. 	✓		✓	✓		
		Redundancy and dismissal	<ul style="list-style-type: none"> Unreasonable pressure aiming for redundancy may be given to temporary employees, etc. 	✓		✓	✓		
	Resources	Use of natural resources	<ul style="list-style-type: none"> Risks of using papers made from illegal logging in a business workplace. 	✓	✓	✓	✓		
	Relations with governments	Bribery and corruption	<ul style="list-style-type: none"> Bribes may be used when making a contract. Risks of losing fairness of contents of audits and reports due to bribery. 	✓		✓	✓		

Key human rights issues in operation of service provider company in consulting sector

Key human rights issues in consulting sector			Concrete issues	Value Chain					
				Develop	Procure	Outsource	Provide	* Use	* Discard
Core operation/ Supply chain	Treatment in the workplace	Health and safety	<ul style="list-style-type: none"> When the case occurs in supply chain of client company, we may contribute to the case indirectly by providing them with services. In the audit work and corporate assessment work, we audit and access whether the case has occurred. However, if audit is not properly conducted, we may overlook the occurrence of the case. 	✓	✓	✓	✓	✓	✓
	Discrimination	During work		✓	✓	✓	✓	✓	✓
	Child Labour	Dangerous work and employment		✓	✓	✓	✓	✓	✓
	Forced Labour	Deposits and papers		✓	✓	✓	✓	✓	✓
Community	Resources	Use of natural resources (water and lands)	<ul style="list-style-type: none"> When the case occurs in supply chain of client company, we may contribute to the case indirectly by providing them with services. 	✓	✓	✓	✓	✓	✓
	Title to land	Voluntary relocation-consultation and compensation		✓	✓	✓	✓	✓	✓
	Investment to Community	-	<ul style="list-style-type: none"> We may indirectly contribute to human rights activities of clients through providing services such as supporting to development client's human rights policy. 	✓	✓	✓	✓	✓	✓
Society and government	Relations with governments	Bribery and corruption	<ul style="list-style-type: none"> When the case occurs in supply chain of client company, we may contribute to the case indirectly by providing them with services. 	✓	✓	✓	✓		
		Relations to states with poor human rights record	<ul style="list-style-type: none"> Some countries where client companies are operating or companies consider entering markets may have poor understanding of human rights. Investment, sales of goods and services, taxes through providing client companies with services in those countries may cause deterioration of human rights abuses. In the audit work, we audit whether the case has occurred. However, if audit is not properly conducted, we may overlook the occurrence of the case. 		✓	✓	✓		

* at client side