

Comments for each sector
from NGOs/NPOs, and subject experts

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Caux Round Table Japan

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● **Junichi Mishiba, Executive Director, Friends of the Earth Japan**

1. Climate change

As the “upper limit of allowable green house gas emissions” has been quantified in trial calculations of the U.S. NPO Carbon Tracker Initiative, emission trading is likely to attract more attention in the future. Now that an upper limit has been defined, there is a need to make even more serious efforts at reducing greenhouse gas emissions.

2. Governance

Factors such as trends and the stability of political systems in developing countries as well as developed countries should also be determined when considering “governance risk.”

3. 100-year Business Plans

When companies consider formulating short-, medium-, and long-term plans, the periods they generally consider are one-year, three- to five-year, and around 10-year periods respectively. As noted above, however, in the future we must recognize that all resources are “limited,” including those for which there are allowable greenhouse gas emissions as well as energy from fossil fuels and mineral resources, etc.

This is why we must pursue sustainability and, therefore, in regard to all resources, it is essential for companies to have a long-term vision, long-term strategy, and long-term plans premised on units of 100 years if they are to survive in the future. The first step in this direction, I believe, is to stop viewing serious global environmental issues we face with in terms of stopgap measures and to tackle them head on with “fundamental treatment.”

● **Kaoru Takahashi, Executive Director, Water Aid Japan**

【Comments to all sectors】

1. Water is emerging as major risk globally – for example, the World Economic Forum’s annual risk report ranked water crises as the top global risk by impact. We call on all sectors to include water risk in the “global risk” section.
2. Japanese corporations which have supply chain/value chain all over the world are able to influence global water use. We would like those corporations to support the water use efficiency of their suppliers in order to promote sustainable water use and to improve access to water of the local communities.

【Comments to each sector】

1. Manufacturing industry

- We welcome that the “lack of sanitation at workplaces” and “overuse or pollution of water at factory or construction site” has been included.

2. Logistics and transportation

- We would like the industry to fully consider the impact of tourism development on the community. The disproportionate use of fresh water by tourists has been found in developing world destinations including Bali in Indonesia, Zanzibar in Tanzania, and Kerala in India. For example, in the resort villages of Zanzibar, the local people use 93 liters of water per day on average while in the five-star hotels the average daily consumption per room is 3,200 liters*.
- We welcome that the “impacts of construction of factory and new railway routes on environment” is mentioned. However construction may cause not only environmental destruction but also lack of access to water of local communities.

3. Chemical industry

- We welcome that the “risks of water depletion shortage and leakages of pollutant”, which may affect local communities, are included. However water depletion may be caused not only by deforestation but also by excessive water use, which is not mentioned.

4. Apparel industry

- We welcome that the “risk of water pollution and consumption in the manufacturing process” is mentioned.
- The industry uses much water in other processes such as cotton cultivation and consumer use so we call on the industry to address water consumption in those processes.

5. Food industry

- We welcome that the “impact on access to water in local community” is clearly stated.

6. Consulting and auditor

- We call on the industry to consider water risks of supply chain/value chain of their clients.

*<http://www.theguardian.com/global-development/2012/jul/08/fresh-water-tourist-developing>

● **Akira Harada, Director, Japan Tropical Forest Action Network**

Recently more than one third of copy paper products consumed in Japan have been imported from Indonesia. Indonesian paper products have been gaining their popularities in the global markets including Japan because of their acceptable print quality and economic competitiveness, though in the pulping sector in Indonesia there have been recorded a number of cases of human rights violation mainly caused by land grabbing and land conflict. The pulp and paper industry located in Riau province, Sumatra has received growing global attention.

According to a World Bank report tens of millions local people depend on the forest to sustain their livelihood in Indonesia. Their customary forests and crop lands have changed into industrialized plantations for palm oil and pulp. Indonesia's new timber legality certification system, named SVLK (Sistem Verifikasi Legalitas Kayu), is far from adequate to address expanding land rights violations and corruption that have plagued the forestry sector.

By using less paper, increasing recycled content, and making other improvements, you can save wood, water and energy, and cut pollution and solid waste. JATAN recommend paper user companies and end users to use paper options available that contain as high as 100% postconsumer recycled content.

It would be rather difficult for an individual user company to manage the entire supply chain starting from raw materials locations, though we understand it becomes increasingly important to. The following are steps we recommend paper user companies to take to ensure an environmental paper use.

- 1) Share information on paper use at each section on the business.
- 2) Set up a team responsible for implementing decisions regarding the use and procurement of paper and paper products.
- 3) Determine your baseline by taking an inventory of the paper and paper products you currently buy and in what quantities. In case you should consult suppliers to gain details.
- 4) Set ambitious but realistic goals for purchasing more environmentally preferable paper and paper products.
- 5) Publish the procurement information on the web.
- 6) Develop the organizational policy to update regularly with collaborations with third parties like NGOs and academic researchers.
- 7) If you find serious problems with the procurement, develop an investigation team with local NGOs and/or farmers groups.

- **Yumiko Horie, Advocacy Manager**
Miki Morimoto, Programme Officer, Child Rights and Business International Programme,
Save the Children Japan

The issue of child labor has been exposed at supply chains of the apparel industry since the 1990s. The problem has been raised in the supply chains of different industries and the attention around the world has been paid from the point of view of children and business. On the other hand, specifying the violation of human rights, especially the impacts and problems affected on children in “advertising and marketing” that exists the market within the value chain, are still an underdeveloped area. Only the food industry has recognized this problem. Advertising and marketing have substantial influence on the behaviors of consumers including children and the formation of their social values. It is highly recommended that other industries should also recognize this issue.

The statement of “Changes in consumer awareness, Creation of ethical market and positive action for fair trade” as mentioned in an industry also apply to other B to C businesses and requires their active engagement. Recently, children can easily access information targeted towards adults through smart phones and the internet. While regulations are being developed, violence, violent languages and pornography on the internet especially have negative impacts on the development of children, and these issues need to be emphasized.

While all industries regarded employment without discrimination as an issue, allowing flexible and diversified work styles of working parents, especially of mothers raising children, needs to be pursued. Through development of the internet and diversified ways of communication, it is important for companies to develop good working environment for those raising children, including working from home. While the apparel industry was the only industry to mention special supports for young workers who tend to be put in vulnerable positions, the issues needs to be acknowledged by all industries.

While many industries regard the overuse of water and land, and environmental pollution as problems relating to natural resources, the manufacturing industry whose factories have significant impacts on the surrounding communities should also mention in their impacts on livelihood resources of the local residents. In this respect, the chemical construction materials industry mentions this issue comprehensively. In regards to the medicines industry, the high price of medicines is one factor for the lack of medicines for those who need medical treatment, besides the vulnerable distribution and governance of conflict-affected countries. In addition to the structural problems of the weak governance of these countries, companies should review the prices of medicines from the humanitarian perspective.

According to an UN report, the income received by companies by tax evasion from Africa exceeds the total amount of ODA funding for Africa. Not only the finance industry, but companies of various industries which expand their businesses to developing countries and emerging markets should recognize this as a concerning issues for them.

● **Hiroki Fujita, Executive Director, RainbowACTION**

I'm strongly encouraged that almost all the industries understand the problems and issues over sexual minorities. What I expect is not only setting up a big goal but also taking a specific action at each company.

Issues over the word "LGBT"

In my presentation, I introduced the word "LGBT," but pointed out that it is inappropriate since it discards and excludes non-LGBT people and denies diversity. I regard the word "sexual minorities" as appropriate; the words "sexual minorities" are less known than the word "LGBT," which is used to represent the former, but it's not satisfactory. As a compromised plan, I suggest using sexual minorities including LGBT people.

*In the discussion over the international standards of human rights, the words "sexual orientation and gender identity issues" are usually used instead of LGBT or sexual minorities.

Issues of sexual minorities and the major project in the company

In terms of sexual minorities and industry, issues are mainly focused on improvement of the personnel system or working environment so far. However, during this session, I got a question how to deal with the issues of sexual minorities in the major project of the company. For example of wedding industry, wedding plan for same-sex couples should be prepared, and this is one of the solutions in the company's major project.

Generally speaking, it is very difficult. It's not too much to say that sexual minorities have nothing in common; do not have specific disabilities, senses or feelings, specialties. Therefore, some industries are able, but others not. It depends on the industry or project. It would be the challenges for the future for me as well.

US Supreme Court's decision on same-sex marriage

I basically think it positive though, it is important to note that the same-sex marriage doesn't solve all the problems of sexual minorities.

Problems over sexual minorities are diverse and complicated; for examples, employment of transgender, poverty and sexuality, hate crimes and hate speeches, refugees and migrants, marriage system itself. Only focusing on same-sex marriage brings more and more exclusion or ignorance. In this sense, this decision makes me hesitate to welcome.

- **Ippei Torii, President, Solidarity Network with Migrants Japan**
Yukiko Omagari, Deputy Secretary General, Solidarity Network with Migrants Japan

1. General

1. Issues concerning the rights of migrant workers in the manufacturing, printing, and apparel industries are appropriately incorporated, and can be highly regarded.
2. Use of the term “workers” is important. In international law, this is established in the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, and in international organizations, in the International Labour Organization. Moreover, in laws in Japan, use of the term “workers” is provided for under the Labor Standards Act” and “Labor Union Law.” Use of the term “workers” is important from the viewpoint of rights, and if this term is not used, it appears as if there is evasion of the protection of rights.

2. Individual issues

1. In subcontract factories in the apparel industry, technical intern trainees are working at very small enterprises under the occupational category of “sewing.” Even under training programs [in Japan, the Technical Intern Training Program], problems of trainees engaged in sewing work are widespread, and there are some serious cases. This is also one factor taken up in the U.S. State Department’s Trafficking in Persons Report. In Japan, it is necessary for the apparel industry to tackle the issue of the treatment of workers in Asian countries and in the same way focus on this problem at home. Furthermore, suspicions over companies of certain major brands taking a discriminatory stance are spreading around the world through social networks (Facebook, etc.). Japanese companies must also stay on their guard to address these issues, as they too could come under such criticism at any time.
2. To prevent industrial accidents of migrant workers, in addition to prior training, the posting of warning signs in the native language of workers in the workplace is useful. As a start, warning signs with basic words such as “Danger” or “Do not touch” at construction sites or in the workplace where workers handle machinery would be useful.
3. Even in situations where their human rights are violated such as having their passports or residence cards taken away, or being forced to save money, etc. trainees are reluctant to openly express their dissatisfaction or problems at work. This is because some of them have paid large sums of guarantee money or signed penalty agreements in their own countries. There is also the fear that if they cause “trouble,” they may bring severe hardship on their families. While it is very important to make declarations to prevent cases such as those mentioned above, as the next step, arrangements as to how you plan to actually prevent these situations are necessary.

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3. Future issues

1. Currently, a bill for the promotion of measures for the elimination of discrimination based on race or other bias (a bill promoting measures to eliminate racial discrimination) has been introduced into the Diet. Article 4 stipulates that discrimination based on race or other bias must be prevented without fail in occupations, schools, communities, and all other areas of society, and companies as a matter of course have the obligation to prevent discrimination. Furthermore, Article 15 expressly provides for support for voluntary initiatives to prevent discrimination based on race or other bias through the Internet. This is the matter directly related to the telecommunication carrier. In the future, it is increasingly becoming important for the companies to prevent racial discrimination.

2. A decision was made to accept “foreign domestic helpers” in National Strategic Special Zones (the law was passed on July 8). I understand that major companies providing household support services are already interested in accepting domestic workers. From the viewpoint of the protection of rights of the domestic workers, however, this law contains many uncertainties. To prevent people in the vicinity of these domestic workers from becoming “human rights violators,” attention must be paid to this policy of accepting home service workers when domestic workers are to commence working in households.

● **Yukiko Furuya, Representative, Consumer Conference for Sustainability**

Apparel and textile industry

Assessment

Active initiatives for changes in consumer awareness, and the development of ethical markets
Improvement in traceability

Expectations

In these initiatives, provision of information to enable consumers to make judgments is essential, and there are expectations for initiatives that include this.

Consulting and auditing industry

Assessment

Impact on initiatives of business operators through the consulting business
In view of the impact on other business operators, awareness of consumer issues is also expected.

Manufacturing industry

Assessment

Initiatives in responsible marketing
Contribution to the improvement of the environmental awareness of consumers

Expectation

Problems in active provision of information for consumers to make decisions
For instance, in regard to safety, business operators alone cannot realize initiatives for consumer safety.
There are expectations that the industry will engage in initiatives together with consumers.

Manufacturing industry (infrastructure)

Assessment

Consideration of the impact on the life and health of the end consumer

Expectations

Impact of the assessment of consumers concerning fair business activities can also be considered.

Information and communications business

Assessment

Issues concerning personal information

Expectations

Irrespective of whether the matter relates to your business, consumers must recognize their own risks, and there are expectations that active, specific initiatives be taken (including awareness raising and education for consumers including systems) to avoid such risks.

Logistics Industry

Although nothing is stated concerning consumer issues, we cannot believe that there are no consumer

issues in the distribution business (safety, personal information, etc.)

Some aspects in the assessment of consumers in initiatives such as labor issues may also be considered.

Financial Industry

Assessment

Responding to telephone fraud and people with disabilities, etc.

Expectations

Expectations for initiatives consumers can assess or become involved in concerning initiatives in microfinance and ESG problems

Various problems are occurring due to insufficient consumer awareness and knowledge regarding financial matters, and there are expectations for active initiatives in consumer education.

Chemical and construction material industry

Assessment

Health damages to consumers arising from chemical materials are taken into consideration.

Expectations

There are expectations for provision of information and consumer education to avoid risks to consumers

Provision of information to enable consumers to assess initiatives in the supply chain, etc.

Pharmaceutical industry

Assessment

Initiatives in the eradication of counterfeit medicine, and recovery due to product defects, etc.

Expectations

Expectations for the provision of risk information as well as awareness raising and education of consumers to avoid problems

Paper and printing industry

Assessment

Addressing personal information problems for a new business model

Expectations

Expectations of active measures to inform consumers of risks and to avoid them

Expectations of some aspects of consumer assessment concerning initiatives in labor issues, etc.

- **Hitoshi Suzuki, President, Institute for International Socio-Economic Studies**

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Comments for “the SHE Program “ organized and held by CRT Japan Committee on July 3, 2015

Overview of Practical Human Rights Due Diligence Process

<p>1. Formulate Human Rights Policy</p> <ul style="list-style-type: none"> • Include formulated Due Diligence Process covering processes 2. through 4. • Pledge commitments to respecting human rights, internally and externally etc. • Pledge support for international norms of behavior (such as ILO 4 core Principles, UN Guiding Principles, UN GC etc.) • Correlate to the Policy in each of existing relevant charters and guides and tools etc. 	<p>2. Assess HR Impacts</p> <ul style="list-style-type: none"> • Use “HR Mapping” <u>assessing actual and potential impacts for each stakeholder</u> • Identify risk areas and material issues based on the mapping • Plan actions to address material issues, short and long terms 	<p>3. Integrate into Organization</p> <ul style="list-style-type: none"> • Frame on established PDCA management tools and guides, etc. such as those for overall risk management, and for product quality, information security including personal data, environment, anti-corruption, procurement, OHS, investment etc. • Correlate identified material risks with to those guides and tools and integrate HR assessment • Raise awareness among officers and employees etc. by education and training • Evaluate performance 	<p>4. Remedy</p> <ul style="list-style-type: none"> • Formulate policy for grievance mechanism to address issues raised by stakeholders without delay • Use established “compliance hotlines” as access point that should be open and accessible to any stakeholder outside organization etc.
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Key Considerations:

- Holistic approach including affirmative actions to address issues such as diversity, universal design, digital divide etc.
- Valuing communications with stakeholders
- Collaboration with internal relevant departments such as human resources, procurement, business planning etc. under leaderships of the top management and CSR Team
- Tracking and monitoring process for improvement using existing mechanism such as internal auditing and control systems

At the last stakeholder dialogue meeting organized by CRT Japan, I highlighted “Privacy or personal data protection” as a typical human right issue in case of ICT industry. I am satisfied with the result of the sector discussion since this issue as well as other potential human rights risks that I referred to in my presentation have been discussed and covered by the sector presentation.

I also want to point out two issues. One is about this privacy issue that is also applicable and common to all other sector companies as part of human rights issues. Particularly, employees and consumers will become more sensitive to this issue as the government of Japan will start notifying “My Number” IDs to all the citizens under the newly established “My Number System (or National ID system)” in October 2015.

The other issue is about a pin hole in supply chain management. Careful attention should be paid to human rights related risks that may be caused by supply chains of your local subsidiaries particularly those in developing countries as a blind spot, since local procurement increases when businesses are getting more localized and globalized.

I understand that each of relevant industry members has just conducted "The human rights risk mapping" this time as a process to identify human rights risks common throughout each of the relevant industries. After this process, each company that has participated in this process is expected to proceed to the next step to develop Human Rights Due Diligence process. It consists of four steps, as shown in this slide, i.e., "Policy formulation", "Impact assessment", "Integration into Organization" and "Remedy". Considering difficulty in developing this Due Diligence process, I share with the participants tips to be considered for practical and effective Due Diligence mechanism based on my experience.

Key considerations are mentioned as follows:

- You should consider human rights as a universal baseline agenda, relevant to many varieties of companies' operations, and therefore, you need to take holistic approach to associated issues such as those related to occupational health and safety, environment, product safety, information security, procurement, anti-corruption etc. and also to affirmative actions to address issues such as human diversity, universal design, digital divide etc. This approach will help companies develop due diligence mechanism built on already established roles and responsibilities, standards, processes, guidance, tools etc. It will promote effective and efficient management to mitigate human rights risks and to enhance companies' values through such affirmative actions.
- You should value communications with internal and external stakeholders throughout due diligence processes. Stakeholder dialogs can help companies identify substantial issues and opinions of stakeholders that should include NGOs representing and/or supporting socially vulnerable people who are affected by the business activities. Such stakeholder engagement is an essential part of ISO26000 to improve CSR management. Communications also include accountability and disclosures for stakeholders about what are material human rights issues and how companies address them and so on.
- The lead of the top management supporting CSR department and the wide cooperation of other management departments such as human resources or personnel affairs section or the procurement section etc. become indispensable as human rights are overarching issues and related to many different kinds of business activities.
- Tracking and monitoring should be considered as a basis for continued improvement, using established monitoring mechanisms such as internal control and auditing systems. Stakeholder review may be a good option to monitor progress and improvement as to areas or issues found as a result of stakeholder dialogs.

Human rights due diligence should be framed as a P-D-C-A methodology to manage potential human rights issues effectively. It should start with "Policy Formulation" where processes of "Impact Assessments, Organizational Integration and Remedy" are framed. It should also include basic but vital elements such as;

- To pledge to respect human rights seeking to prevent or mitigate potential human rights issues. These statements should also be articulated on a company's formal Charter, Code of Conduct, CSR Policy, etc.
- To support International Norms of Behavior such as ILO four core principles, UN Global Compact etc.
- To link and correlate with existing charters and codes, and management systems such as those for OHS, procurements, environment, information security, product quality, investment etc., and to declare this policy clearly inside and outside the company.

The next step is about "Impact Assessment". Human Rights Risk Mapping is a major action for this step but you can utilize the result of the "SHE or Stakeholder Engagement Program" organized by CRT Japan Committee as output made by each of related industry members. You can identify, based on this risk mapping, material risks from viewpoints of each company's business. You should formulate mid- and long- term goals and actions to address such material risks.

"Integration into the organization" is a following important process. It would be effective and practical if you can utilize existing and established management systems by linking and correlating human rights respect policy to such management systems as overall company risk management, and those for procurement, product safety and quality, environment, anti-corruption, OHS, information security, and investment etc. Human rights are overarching all of these management areas and therefore human rights elements such as impact assessment should be integrated into those management systems. Taking privacy for an example, it is an important part of human rights and it should be managed under information security management system. You should mention so in information security policy and its management system and also impact assessment mechanism should be integrated into it. To integrate human rights elements into PDCA management systems through day to day business operations is a practical and essential method for continuous and effective improvement. Raising awareness about human rights issues among officers and employees is also an important action. It includes education and training. Using concrete cases found through "Human Rights Mapping" is effective for education.

"Remedy or grievance mechanism" process is difficult. You should formulate a policy for measures on how to address issues raised or at the time of a problem occurrence in immediate and proper manner. You can utilize "Compliance Hotline" as a relief access point if it is already introduced. You should consider using an outside third party for this contact point with better accessibility including the multilingualism for easy access to anyone.

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● **Asako Osaki, Advocacy Specialist, Gender Action Platform**

1. The first step to advance a respect of human rights of women is to recognize that Japan remains behind global standards.

In developing countries in Asia, Middle East, and Africa, proportion of women such as female technicians, corporate managers, politicians, and managers in government bodies is much higher than the one of Japan.

On the other hand, Japan remains behind in the field of gender equality. For instance, a “Maid Cafe” business which can be defined as discrimination against women has not been regulated. At first, it is necessary to recognize the fact that there is poor awareness of human rights of women in Japan.

2. It is important to conduct a gender analysis, in order to consider human rights of women and develop businesses with promotion of gender equality.

Important steps that companies should take are as followed; (1) clarifying differences in living hours and gender roles in families such as care-work in family by conducting a gender analysis, and improving employment practices, personnel evaluation, and working environment, making the most of outcomes of gender analysis for business marketing, planning and services, (2) understanding local laws on violence, human rights, labor, and family, (3) ensuring security of women thoroughly from specific risks to women such as violence.

3. Protection of human rights of women is not just an ethical act, but economically rational act.

Protection of human rights of women is corporate social responsibility, as well as brings advantages to businesses. Companies can reach-out easier to consumers and female managers by developing their businesses with consideration of human rights of women and gender equality.

Useful resource: Women’s Empowerment Principles (WEPs) , 2010

http://www.gender.go.jp/international/int_un_kaigi/int_weps/index.html

● **Yoko Doi, Fundraising Coordinator, Amnesty International Japan**

1. Considering possibility of human rights violations by unexpected use of products

- Any industry needs to take the possibility into account that their products and services could be complicit in human rights abuses by unexpected way of use. <All industries>
- It has been reported in the media that the camera and the controller board produced by a major electronics manufacturer in Japan was installed in the missile which Israeli forces have used in the 2014 Gaza attack. The risk of product diversion into military use is particularly high in electrical and electronic equipment industry. <Manufacturing (electronics and precision, and others)>
- Monitoring technologies such as image recognition of face authentication, position information and the data on the internet are used for mass surveillance of citizens by the government, which could lead to the breach of privacy. A tendency to strengthen the government surveillance is seen under the name of "fight against terrorism." Armed forces such as Islamic State in Iraq and al-Sham (ISIS) is also taking advantage of the internet and SNS for recruiting or pushing their propaganda. <Information and communication industry>
- Since identifying all the potential human rights impacts is impossible, it is necessary to establish Human Rights Due Diligence processes to mitigate the actual impacts arising from the unexpected things. <All industries>

2. Making positive human rights impacts on communities

- Think about positive impacts as well as negative impacts on human rights. Through investing the local communities around business locations and getting involved to solve their social problems, companies have the possibility to change the environment of the communities in which human rights breaches are likely to occur. It also enables the companies to establish stable business foundations. <All industries>

3. Prioritizing human rights impacts with a focus on “PEOPLE”

- Having identified human rights impacts from business operations, it is important to prioritize them based on severity and likelihood of the impact to affected people, not to the company. <All industries>

● **Masaru Arai, Chair, Japan Sustainable Investment Forum**

I would like to share several points I have noticed at the Principles for Responsible Investment Board today.

Firstly, environmental approach is now entering into new phase.

Since PRI is celebrating 10th anniversary next year, PRI has been discussing to define agendas that are to be focused in the next 10 years, and in the discussion, the Montreal Carbon Pledge has been mentioned so often. The Montreal Carbon Pledge is an initiative launched and published by PRI last September in Montreal. This is a pledge of commitment to measure and publicly disclose the carbon footprint of their portfolios on an annual basis. There are already 58 financial institutions signed the pledge.

Regarding the GHG emission, manufacturing sector has proceeded well in Carbon Disclosure Project (CDP) , and today financial sector is also expected to measure and disclose GHG emission of their investment portfolio.

Secondly, the PRI initiative is also entering into a new phase: from a phase of increasing participants to the one in which effectiveness of measures taken by the signatory organizations to be assessed.

In Japan, with introduction of the Japanese Stewardship Code and the Corporate Governance Code, relationship between financial institutions and business enterprises is expected to undergo a sea change through engagement and other initiatives. PRI however, in fact takes a step further to seek for effectiveness assessment.

Lastly but not least, what concerns me very much is a large gap that I found between the PRI Board and board meetings in Japanese asset management companies I had attended, in terms of their level commitment and/or seriousness in discussions. It seems that such a gap likely to replicate in the stakeholder engagement. Integrity of Japanese financial institutions will be tested in their engagement behaviour. Also I have reconfirmed that companies in other sectors also need to take engagement with overseas investors seriously, for majority of the PRI Board member are CEO or CIO of world top class pension funds.

(In conclusion,) I hope all of you involved in the stakeholder engagement today continue activities of your own, that will ultimately improve a level of the stakeholder engagement across the board.