

Report on 2016 Business and Human Rights Conference in Tokyo “Building Responsible Supply Chain”

The “2016 Business and Human Rights Conference in Tokyo”, co-hosted by Caux Round Table Japan (CRT Japan), the Business and Human Rights Resource Centre, and the Institute for Human Rights and Business, was held on the 15th and 16th September, 2016. The conference had the three pillars, focusing on (1) enhancing awareness and understanding on the latest trends in business and human rights, (2) facilitating collaborative work to promote a respect of human rights and (3) facilitating the implementation of United Nations Guiding Principles on Business and Human Rights. The global experts and attendees also discussed how to address a wide range of business risks on supply chain and build a responsible supply chain.

The programme on Day I had the session on “Introduction to Global Trends of Business and Human Rights” in which global experts on business and human rights provided leadership perspectives on the business and human rights agenda and current global trends. Also, the “Stakeholder Engagement Programmes” in Japan and Thailand, which CRT Japan organized and implemented as the secretariat, and the actual case of human rights due diligence by company were introduced. The programme on Day II focused on the four themes; Responsible Supply Chain, Access to Remedy, Business and Human Rights and Investors (CHRB), and Mega-Sporting Event and Human Rights. Under these themes, the global experts and attendees discussed how to promote responsible behaviour to advance a respect of human rights. Approximately the more than 200 attendees were from governments, companies and NGOs. Prior to the conference, the eight individual dialogues were conducted between sponsoring companies and human rights experts.



Picture with the speakers and sponsoring companies



Active discussions were conducted.

Sponsor



Cooperation



**Overview of 2016 Business and Human Rights Conference in Tokyo
“Building Responsible Supply Chain”**

Host

Caux Round Table Japan
Institute for Human Rights and Business
Business & Human Rights Resource Centre

Sponsor/Cooperation

ANA HOLDINGS INC.
ASICS Corporation
Duskin Co., Ltd.
FUJI OIL CO., LTD.
FUJIFILM Holdings Corporation
Mitsubishi Heavy Industries, Ltd.
NIPPON EXPRESS CO., LTD.
Nippon Yusen Kabushiki Kaisha (NYK LINE)
QUICK Corp.

Support

Brain Center Inc.
Bureau Veritas Japan Co., Ltd.
Cetus & General Press Inc.
E-Square Inc.
SGS Japan Inc.
Social Design Lab., Rikkyo University
Sustainability Communication Hub Co., Ltd.
TOPPAN PRINTING CO., LTD.

Organizations of Global Experts

Institute for Human Rights and Business
Business & Human Rights Resource Centre
OECD Working Party on Responsible Business Conduct
Danish Institute for Human Rights
International Corporate Accountability Roundtable
ASEAN CSR Network
Bluenummer Foundation
Building and Wood Workers International
ELEVATE
Sedex
Verisk Maplecroft

Day I: 15th September

Opening Remarks

Mr. Hiroshi Ishida, Executive Director of CRT Japan, shared his perspective on the challenges of expanding globalization and the influence arising from corporate operations on human rights. In the meantime, he stressed the importance for Japanese companies to show exemplarity in their supply chains on the occasion of the Tokyo Olympic Games in 2020. Finally, he emphasized that a global dialogue should be conducted in line with the three principles of “Fairness”, “Integrity”, and “Honesty” in order to define “what is right rather than who is right.”



Opening Remarks by Mr. Hiroshi Ishida

Introduction to Global Trends of Business and Human Rights

In this session, an extensive panel of human rights experts gathered to share the current and the main activities of their organizations. The experts were from Institute for Human Rights and Business, OECD Working Party on Responsible Business Conduct, Danish Institute for Human Rights, International Corporate Accountability Roundtable, ASEAN CSR Network, Bluenumber Foundation, Building and Wood Workers International, ELEVATE, Sedex and Verisk Maplecroft.



Ms. Lucy Amis from the Institute for Human Rights and Business

The experts explored the current trends as followed : the influence of Modern Slavery Act in the UK; development of Corporate Human Rights Benchmarking initiated by institutional investors; human rights issues at Mega-Sporting Events; convergence and simplification of standards; risk assessment covering multi-tier suppliers and data analysis; promotion of human rights in business relationships; dissemination and development of National Action Plans inside and outside of Europe; and lastly continuous attacks on workers trade union organizations. During the course of the session, the experts agreed on implementation of collaborative work between companies and governments to advance a respect of human rights further, and stressed the importance of global-level communication and human rights education.



The experts shared their expectation for Japan

Individual Dialogue between sponsoring companies and human rights experts

Prior to the conference, the eight individual dialogues were conducted between sponsoring companies and human rights experts. The companies shared their human rights and CSR activities, and exchanged views with the experts on how to enhance their management. The attendees commented that they could gain new perspectives through the dialogues.



Active discussions were conducted

Introduction to 2016 Stakeholder Engagement Programme in Japan and Thailand

Since 2012, CRT Japan, as the secretariat, has organized and implemented the Stakeholder Engagement Programme for the purpose of dissemination and implementation of the UN Guiding Principles by companies and further enhancement of understanding on business and human rights issues. The fifth programme in Japan involved more than 70 participants from 40 companies/organizations, exploring the relevance between the Sustainable Development Goals (SDGs) and business and human rights, and identifying positive and negative impacts companies give through value chain. The first programme in Thailand involved 30 participants from companies/organizations, putting a focus on labour issues in Thailand. As contributors and corporate participants of the programmes, Ms. Ikuho Miyazawa from the Institute for Global Environmental Strategies; Mr. Toshihiko Hoshino from FUJIFILM Holdings Corporation; Mr. Shinichiro Uryu from Mitsubishi Heavy industries, Ltd.; Mr. Hideki Wakabayashi from Amnesty International Japan; and Mr. Youzou Nakao from Ajinomoto co, Inc. introduced the contents and results of the discussions on the programmes and exchanged their views with the foreign experts. The programme was introduced as an activity that assisted companies in identifying and assessing adverse impacts on human rights (human rights due diligence) as defined in the UN Guiding Principles. The experts stressed that the SDGs could bring business opportunities, yet companies should identify and assess where positive and negative impacts occurred though value chain with stakeholders, and address the priorities of the SDGs for their companies. They also highlighted that companies should embed the UN Guiding Principles into identification process for the SDGs priorities.



Stakeholder Engagement Programmes were introduced



The foreign experts shared their perspectives on the Programmes

Actual Case of Human Rights Due Diligence by Company.

In this session, Ms. Chikako Miyata from ANA Holdings Inc., presented human rights promotion education and development of human rights policy as human rights activities of ANA Group. She also shared contents and progress of the global joint project on human rights impact assessment with CRT Japan and Verisk Maplecroft. CRT Japan and Verisk Maplecroft made a Memorandum of Understanding in June 2016 to help Japanese business manage global human rights risks, and provided ANA Group with the human rights impact assessment service. Ms. Miho Okada from CRT Japan stated that impact assessment could enable companies to identify which business areas of company had potential or actual human rights risks, whether risks were present within the group or on supply chain, in which countries risks were likely to occur, and which stakeholders were adversely impacted, and to develop appropriate corrective actions to address the identified human rights risks.



The speakers shared their perspectives

Day II: 16th September

The programme of Day II focused on the four themes which Japanese companies should address. The themes were Responsible Supply Chain, Access to Remedy, Business and Human Rights and Investors (CHRB), and Mega-Sporting Events and Human Rights.

Theme 1: Responsible Supply Chain: Using a platform for sharing data

The session provided an overview of current situations in Asia and a panel discussion on how to promote a responsible supply chain with the use of platforms for sharing data. Introducing the session, Ms. Sung In Marshall from Verisk Maplecroft presented that as evolving regulation was driving increased supply chain transparency, many companies faced challenges in accessing the necessary data to map their risks and supplies beyond the first tier. Given this challenging environment, she shared that Verisk Maplecroft provided various data including human rights risks and support for companies to enhance a data-driven approach to identifying and assessing the risks inherent to human rights. Mr. Jonathan Ivelaw Chapman from Sedex explained that in order for companies to build a responsible supply chain, collaboration and communication between companies were necessary. Sedex provided an online platform for sharing data and assisted companies in managing performance around labour rights, health & safety, the environment and business ethics. Mr. Thomas Thomas from ASEAN CSR Network highlighted that as movement towards greater disclosure and transparency in supply chain was on the rise, companies should find ways to collect certain data on ASEAN countries.



Mr. Jonathan Ivelaw Chapman from Sedex

Ms. Bloch Poulsen-Hansen from the Danish Institute for Human Rights presented that companies started to change from a compliance focus approach such as codes of conduct, contract clauses and auditing/certification, to a remediation and improvement focus approach such as collaborative approaches, transparency, empowering rights holders and their representatives, grievance mechanisms and responsible lobbying. She then introduced emerging good practices of companies that applied the remediation and improvement focus approach in their supply chain management. Mr. Hideki Tanaka from Kao Corporation presented that in order to address expanding supply chain risks, Kao applied Sedex in their own supply chain management to identify and assess potential risks in their supply chain. Dr. Puvan J. Selvanathan from Blunumber Foundation introduced Blunumber as a global initiative for farmer identity and inclusion for sustainable rural development. Lastly, Patrick McKeller from ELEVATE emphasized the limits of the auditing system, and introduced their e-Learning service which delivered introductory social and environmental performance training to factories, suppliers and brands.



Mr. Hideki Tanaka from Kao Corporation



Mr. Patrick McKeller from ELEVATE shared the online training tool with the attendees

Theme2: Access to Remedy: Building an effective grievance mechanism

This session provided the introduction to global trends, shared cases at national and company levels, and conducted a panel discussion on how to build an effective grievance mechanism. Ms. Miho Okada from CRT Japan explained types of grievance mechanisms and effectiveness criteria for grievance mechanisms outlined in the UN Guiding Principles. She stressed that when companies/organizations put in place their grievance mechanisms, they should collect grievances from a wide range of their stakeholders including



Ms. Miho Okada from CRT Japan

suppliers both in Japan and abroad and communities in which their business operates. In addition, in order to build an effective grievance mechanism and inform stakeholders of availability of this mechanism, companies were encouraged to use existing tools, leverage their networks and collaborate with global initiatives. Mr. Roel Nieuwenkamp from OECD Working Party on Responsible Business Conduct presented an overview of OECD Guidelines for Multinational Enterprises and roles of National Contact Points (NAPs). Then, he introduced some real cases illustrating how various issues were resolved through implementation of NCPs, and emphasized the consequences that businesses and organizations faced if they failed to provide appropriate remediation measures. Lastly, Ms. Lillian Tseng from ASICS Corporation, presented an overview of grievance system in ASICS Corporation and shared the procedures and challenges of how to handle grievances.

Theme 3: Business and Human Rights and Investors (CHRB): Understanding a trend of corporate assessment

This session introduced a global trend of corporate assessment, and discussed what companies were required to do. Mr. Saul Takahashi from Business and Human Rights Resource Centre presented an overview of Corporate Human Rights Benchmark (CHRB). He shared that human rights issues were not just concerns of NGOs, but matters for a larger group such as institutional investors and investigative organizations.



The discussion was active

He explained that CHRB was an initiative by institutional investors and global CSR initiatives, aiming to create a positive competitive environment and encourage companies to race to the top of the annual ranking by commending and rewarding companies doing well. Ms. Emi Matsukawa from Quick Corp. stressed that as ESG investment was increasing in recent years, companies should deepen their understanding on ESG factors and conduct responsible conducts within their companies. Lastly, Mr. Hiroshi Ishida from CRT Japan stated that CHRB evaluated human right corporate performance of the top 500 globally listed companies on development of human rights policy, decision making process and human rights activities, and assigned scores to the companies. Its evaluation scope of target companies would be expanded more next year. And, as CHRB included questions on top commitment, human rights due diligence, access to remedy and grievance mechanism, there was the need for companies to address the areas that they should improve.



The speakers shared a trend on investors and responsible investment

And, as CHRB included questions on top commitment, human rights due diligence, access to remedy and grievance mechanism, there was the need for companies to address the areas that they should improve.

Theme 4: Mega-Sporting Event: Achieving a success of 2020 Tokyo Games

This session provided discussions on how to address challenging issues, such as building a responsible supply chain and grievance mechanism to achieve a success of the 2020 Tokyo Olympic Games. Ms. Lucy Amis from Institute for Human Rights and Business pointed out potential human rights issues that may arise in the 2020 Tokyo Olympic Games, such as Technical Intern Training Programme and discrimination on race, gender and sexual orientation. Mr. Keiji Inoue from the Tokyo Organising Committee of the Olympic and Paralympic Games (TOCOG) explained an overview of Tokyo Olympic and Paralympic Games Sustainability Plan, and shared that TOCOG was in preparation for obtaining ISO 20121 Certification, developing a sourcing code, and developing a grievance mechanism to achieve the delivery of sustainable Games. Mr. Apolinar Z. Tolentino Jr from Building and Wood Workers International presented potential human rights issues in the 2020 Tokyo Olympic Games such as occupational health and safety, increasing wages and salaries, migrant workers' right to join unions, compliance with sourcing code, and dispute settlement mechanism. He stressed that these issues should be addressed as a top priority towards the Tokyo 2020 Olympic Games. Lastly, Mr. Hideki Nawata from Ministry of Health, Labor and Welfare introduced activities of Council for Occupational Safety and Health on the Facility Construction Work. He stated that recognition of occurrence of accidents, additional activities beyond regulations, investment to occupational safety and health, and diversity and information disclosure contributed to prevention of work-related accidents in company activities. Lastly, Mr. Hiroshi Ishida from CRT Japan stressed that actors related to the 2020 Tokyo Olympic Games should possess awareness of going beyond compliance and address labour issues thoroughly.



Mr. Keiji Inoue from TOCOG

Closing Remarks

Mr. Roel Nieuwenkamp shared that as the 2020 Tokyo Olympic Games was approaching, Japan companies were under scrutiny from a wide range of stakeholders such as investors, NGO, and trade unions on their responsible business practices. Thus, he stressed that as outlined in the UN Guiding Principles and OECD Guidelines for Multinational Enterprises, companies should practice *Kaizen*, Japanese term for continuous improvement, by identifying, accessing, preventing and mitigating risks to business through supply chain as well as promoting capacity development of suppliers.



Closing Remarks by Mr. Roel

Mr. Hiroshi Ishida from CRT Japan summarised the discussion points as followed: addressing human rights issues should be conducted from an overall optimum perspective; a wide range of stakeholders should be included in addressing human rights issues, transparency on disclosure of information should be enhanced while ensuring legitimacy. He stated that the discussion contents of this conference would be shared in a conference on Mega-Sporting Events and Human Rights held in October in Washington D.C. and Forum on Business and Human Rights held in November in Geneva in November. Last, he presented that CRT Japan would focus on the following activities next year: Stakeholder Engagement Programme in Japan, Thailand, and Malaysia; support for companies to conduct human rights impact assessment, support for companies to enhance their supply chain management, dissemination and implementation of CHRB, focus on palm oil, and development of grievance mechanism. The conference in 2017 would be held from 11th to 15th September.

A list of Speakers

- **Lucy Amis**
Research Fellow (Mega Sporting Events), Institute for Human Rights and Business
- **Prof. dr. Roel Nieuwenkamp**
Chair, OECD Working Party on Responsible Business Conduct
- **Cathrine Bloch Poulsen-Hansen**
Corporate Engagement Programme Manager, The Danish Institute for Human Rights
- **Sara Blackwell**
Legal & Policy Coordinator, Frameworks Program, International Corporate Accountability Roundtable
- **Thomas Thomas**
Chief Executive Officer, ASEAN CSR Network
- **Apolinar Z. Tolentino Jr**
Regional Representative for Asia Pacific, Building and Wood Workers International
- **Dr. Puvan J Selvanathan**
CEO, Bluenumber Foundation
- **Sung In Marshall**
Principal Consultant, Verisk Maplecroft
- **Jonathan Ivelaw-Chapman**
Chief Executive Officer, Sedex
- **Dan Murray**
Head of Membership Development & Marketing, Sedex
- **Dr. Kevin Franklin**
Senior Vice President, ELEVATE
- **Patrick McKeller**
Vice President, Improvement Services, ELEVATE
- **Ikuho Miyazawa**
Policy researcher, Programme Management Office, Institute for Global Environmental Strategies
- **Toshihiko Hoshino**
Senior Expert CSR Group, Corporate Planning Div. FUJIFILM Holdings Corporation
- **Shinichiro Uryu**
Manager, Corporate Social Responsibility Group, Corporate Communication Department, Business Strategy Office, Mitsubishi Heavy Industries, Ltd.
- **Hideki Wakabayashi**
Executive Director, Amnesty International Japan
- **Youzou Nakao**
Associate General Manager, Global Communications Dept., Ajinomoto Co., Inc.
- **Chikako Miyata**
Corporate Brand & CSR, Senior Director, ANA Holdings Inc.
- **Saul Takahashi**
Japan, Korea & Pacific Islands Researcher & Representative, Business and Human Rights Resource Centre
- **Hideki Tanaka**
Executive Officer, Senior Vice President, Procurement, Global, Kao Corporation
- **Lillian Tseng**
Manager, Global legal&Compliance Division, CSR Sustainability Department, ASICS Corporation
- **Emi Matsukawa**
Principal, ESG Research Center, QUICK Corp.
- **Keiji Inoue**
Executive Director of Games Operations,
The Tokyo Organising Committee of the Olympic and Paralympic Games
- **Apolinar Z. Tolentino Jr**
Regional Representative for Asia Pacific, Building and Wood Workers International
- **Hideki Nawata**
Director, Construction Safety Office, Industrial Safety and Health Department,
Ministry of Health, Labour and Welfare
- **Hiroshi Ishida**
Executive Director, Caux Round Table Japan
- **Miho Okada**
Director, Caux Round Table Japan
- **Minoru Matsuzaki**
Caux Round Table Japan, Nippon CSR Consortium