

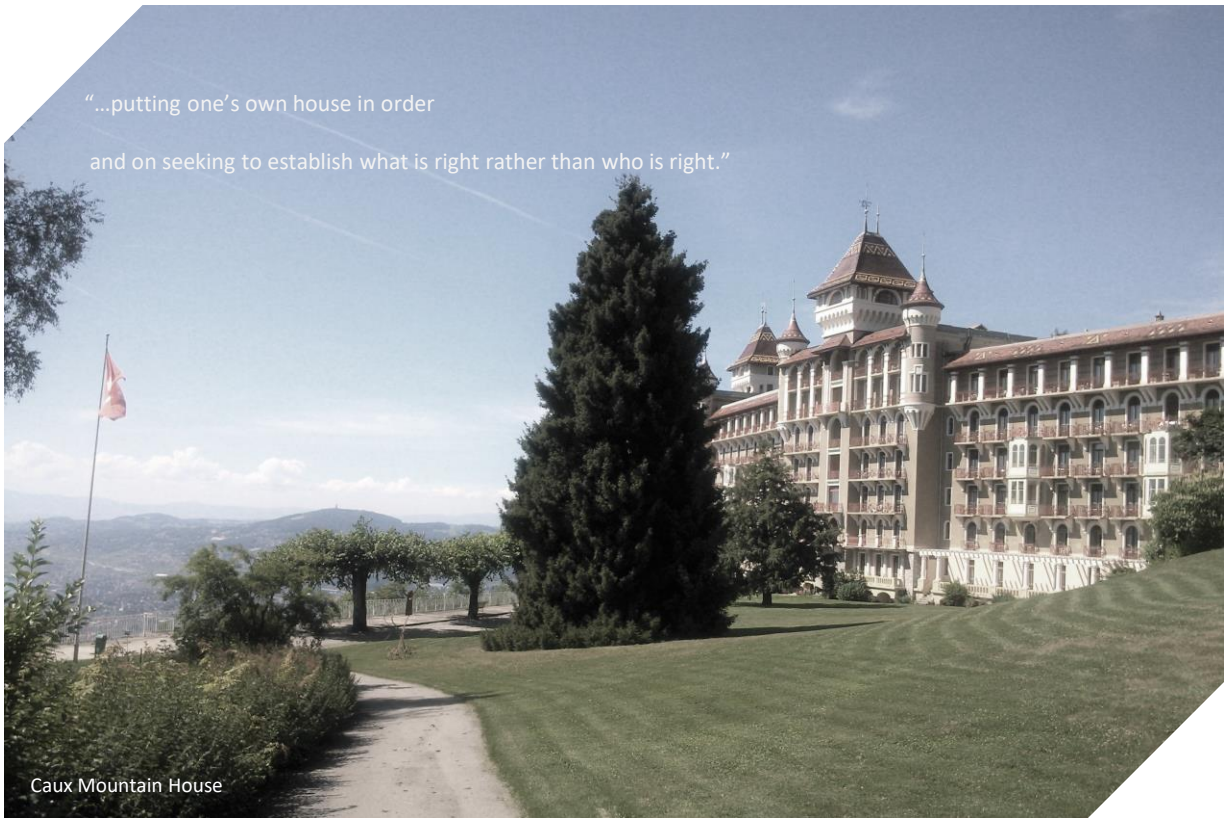
Caux Round Table Japan

2019 Annual Report

(January 1, 2019 – December 31, 2019)

“...putting one’s own house in order

and on seeking to establish what is right rather than who is right.”



Caux Mountain House

About CRT Japan

Caux Round Table (CRT) is a global network of business leaders working to realize a fair, free and transparent society through sustainable and socially responsible business. Since its establishment in 1986 at Caux in Switzerland, the members of CRT have launched operation offices in the United States, European and Asian countries, to promote and disseminate corporate social responsibility (CSR) and responsible business behavior based on the CRT Principles for Business established in 1994. This Principles is built on three concepts reflecting values from US, Europe and Japan, that are ‘Kyosei’, ‘Human Dignity’ and ‘Stakeholders Principle’ respectively. This is the first code of conduct in the world history formulated by business leaders from US, Europe and Japan despite of different cultures, customs and religious backgrounds. Since 1986 the International Initiative of Change Japan Association had accommodated the secretariat of CRT organization in Japan. In April 2000, the organization was re-established as an independent entity Caux Round Table Japan (CRT Japan) aiming at starting more proactive operations. In 2006, CRT Japan became a registered NPO (Non-Profit Organization). Following the philosophy “...putting one’s own house in order and on seeking to establish what is right rather than who is right.”, CRT Japan assists promotion of sustainability/CSR in Japanese industries, and effective implementation at business, through various initiatives.

<CRY|T Principles for Business> *CRT Japan Home Page

<http://crt-japan.jp/about/guideline/>

Vision and Mission

Vision

Contribute to the sustainable development of both business and society

Mission

CRT Japan aims to promote corporate social responsibility (CSR) and business ethics based on a comprehensive and practical analysis of business and society.

We provide support for the implementation of corporate social responsibility with valuable advice and workable solutions that meet individual company’s needs.

CRT Japan Policy

1. Bridging between Japan and the world, business and NGOs

Effective CSR/sustainability cannot be achieved without understanding global CSR/sustainability trends and listening to the voices of stakeholders.

CRT Japan has been producing a place of dialogue for stakeholders at home and abroad, as a bridge between the world and Japan, and between business and NGOs.

2. Impact × Scalability

In order to optimize the effects of CSR/sustainability initiatives, Impact and Scalability are indispensable.

CRT Japan supports optimization of ‘impact’ and ‘scalability’ from various perspectives and realization of CSR/sustainability that contributes to increasing a corporate value.

3. Think × Do tank = Sustainable Navigation

Effective CSR/sustainability cannot be achieved without practice.

In addition to research of the latest global CSR/sustainability trends, CRT Japan facilitates making viable strategies and its implementation through provision of collaborative platforms and pragmatic tools.

Domains of Activity

CRT Japan contributes to the promotion of CSR/sustainability by synergistically developing business activities in four domains:

CSR Activity: Activities to promote in the Japanese industry

PSR Activity: Activities to foster human resources being responsible for materializing a fair society

Seminar Activity: Activities to introduce global information to Japan and disseminate Japanese opinions/inputs to the world

International Cooperation Activity: Activities to promote global networking and collaboration

Activity Report

Activity Review

Trend at Home and Abroad

While companies have been required to implement human rights due diligence in line with the United Nations Guiding Principles on Business and Human Rights (henceforth, the Guiding Principles), legislation lead by governments have been accelerating following the Modern Slavery Act enacted by the UK government in 2015, for example, enactment of Modern Slavery Act by the Australian government, and Thai government efforts of formulating the national action plan that has been becoming more prominent. On the other hand, ESG investment, which incorporates ESG factors including companies' human rights measures into investment decisions, has expanded and the companies are now being scrutinized for their negative impact on society in financial markets. In Japan, 'human rights abuses against foreign workers and strengthening of supply chain management systems centered on the Asian region' and 'ESG investment related activities' have drawn a lot of interest. Increasing number of companies are developing human rights policies and conducting human rights due diligence, and some are becoming more interested in grievance mechanisms. Beyond that, there are some movements envisioning addressing human rights issues in an integrated manner with corporate management.

Overview of Activities in FY2019

CRT Japan has been constantly thinking about what should be done to increase the value of Japanese companies globally, while keeping in mind bridging between Japan and the world, and business and stakeholders, and Especially we focused on the following activities based on the UN Guiding Principles.

- In order to integrate "business and human rights" with management strategies, we have conducted a human rights impact assessment and built a platform for non-financial information disclosure to contribute to management indicators and ESG investment evaluation.
- In the supply chain, we established a system that enables direct communication between companies and on-site producers and workers, and coordinated dialogues and workshops for preventing human rights violations.
- Regarding supply chain management, for promoting "visualization" of the supply chain, we worked with our partners, SEDEX and Bluenumber, to support enhancement of corporate traceability.

▶ Activity Report

CSR Activity

CRT Japan assists development of CSR that satisfies the global standards through two approaches: provision of a common platform that multiple companies can participate, aiming at promotion of CSR/Sustainability in Japanese industries and business; and provision of consultation service adopting particular needs and contexts of individual companies.

In the year 2019, the common platform for multi-company was provided at the Stakeholder Engagement Program (SHE), held as a regular annual program in Japan, Thailand and Indonesia. The program has marked the 8th time in Japan, 4th time in Thailand, and 2nd time in Indonesia.

As the consultation service in the area of “Business and Human Rights”, it covered assistance to stakeholder dialogues, human rights risk/impact assessments and supply chain management, etc., based on the comprehensive human rights due diligence process stipulated by the UN Guiding Principles.

In the area of “ESG investment”, we supported companies’ efforts of information disclosure and coordinated dialogues with overseas key institutional investors.

Main activities in FY 2019

Stakeholder Engagement

- Stakeholder Engagement Program (Japan, Thailand, Indonesia)
- Global Stakeholder Engagement Program

Business and Human Rights

- Support for generating: Policy on Human Rights, Human Rights Report, Statement and under UK Modern Slavery Act
- Human Rights Risk Assessment & Impact Assessment
- Human Rights education E-learning contents creation

ESG Investment

- Support for ESG information disclosure (analysis of ESG open sources, reporting, ESG rating, etc.)
- Coordination of dialogues with ESG Investors (London, Paris)
- Score card preparation for integration of management strategy and ESG (e.g., identifying KPI, etc.)

Supply Chain

- Establishing responsible supply chain by using SEDEX*

*SEDEX: an NPO organization providing a global data base “Supplier Ethical Data Exchange”

▶ Activity Report

PSR Activity

Recognizing that not only promoting Corporate Social Responsibility (CSR) but also promoting Personal Social Responsibility (PSR) and individual practice arising from PSR are intrinsically important for materializing an ethical and fair economic society, CRT Japan provides a liberal arts program and a human resource development program targeting next generation executive managers in companies. The Liberal Arts Course is designed to develop a comprehensive higher perspective that enables an individual to peruse essence of a matter, while the human resource development program is designed to refining an unwavering decision-making criteria based on individual fundamental value.

In 2019, CRT Japan original PSR programs (Basic, Advanced, and Caux Program) and the Liberal Arts , which has been jointly developed with Japan Management Association, were implemented.

Main activities in FY 2019

Liberal Arts Course in collaboration with Japan Management Association

PSR Basic Program

PSR Advanced Program

PSR Caux Session

Dialogue with ESG investors
CSR Activity
(London , UK)



Stakeholder Engagement Program
CSR Activity
(Thailand)



PSR Caux Session
PSR Activity
(Caux, Switzerland)

▶ Activity Report

Seminar Activity

Utilizing its global network, CRT Japan holds international conferences and seminars to introduce the latest global information to Japan and communicating Japanese opinion to the world. This year, we held the Business and Human Rights Conference in Tokyo, which was the 8th conference in the last 7 years, and there were totally 130 participants including overseas experts, business persons, NGO/NPO, international organizations, and civil servants. Since human rights risks have been recognized as a material management issue for Japanese companies, the conference that gathers human rights global experts and NGOs in Japan for discussion has been developed and established as a space for accessing the latest global update. Also since 2012, we have been implementing GRI* Certified Training as a GRI certified training partner.

(*) GRI (Global Reporting Initiative): A non-profit organization acting with mission of creating the international standard of sustainability reporting.

Main activities in FY 2019

Business and Human Rights Conference in Tokyo

GRI Standard Certified Training

CSR Basic Workshop

Other Seminars and Lectures (one-time events: key events* in 2019) *including co-hosted events.

- Beyond Business and Human Rights – For acquiring a correct compass
- WBA (World Benchmarking Alliance) - Policy Round Table
- CHRB (Corporate Human Rights Benchmark) – Discussion on Indicators
- Latest ESG trend in Europe
- Towards the beginning of a new era – Themes to be challenged in anticipation of the post Tokyo Games, etc.



Business and Human Rights Conference in Tokyo
Seminar Activity (Tokyo)



GRI Certified Training GRI
Seminar Activity (Tokyo)

▶ Activity Report

International Cooperation Activity

Global landscape of sustainability has been undergoing rapid sea changes, such as international consensus building initiated by the UN Sustainable Development Goals (SDGs) and the UN Guiding Principles for Business and Human Rights; and subsequent rise of global demands for responsible supply chain, responsible investment and transparency. For collection of the latest global mega trends and promotion of global networking and collaboration, CRT Japan has been actively participated in international conferences and initiatives.

Especially in 2019, we have focused on networking with rule makers, who have been developing new benchmarks for the ESG investment.

Also in “the UN Forum on Business and Human Rights” held in Geneva, Switzerland, we have annually presented initiatives taking place in Japan, such as Stakeholder Engagement Programs, to the global audiences.

Main activities in FY 2019

Conferences/initiatives participation:

- The UN Forum on Business and Human Rights (November, Geneva, Switzerland)
- Caux Round Table Global Dialogue (November, Minneapolis, Minnesota, USA)
- Forum for Cooperation between NGOs and Companies (hosted by Japan NGO Center for International Cooperation (JANIC))
- SDGs Civil Society Network
- Networking with rule makers, who are developing ESG investment global benchmarks. (e.g., CHRB, WBA, etc.)



UN Forum on Business and Human Rights
International Cooperation Activity
(Geneve, Switzerland)



Discussion with CHRB
International Cooperation Activity
(Tokyo)

Financial Results

Statement of activities

(Yen)

Accounts title	FY2019 (From Jan.1 to Dec.31, 2019)	FY2018 (From Jan.1. to Dec.31, 2018)
I Ordinary revenue	166,835,002	141,702,743
1 Membership fees	1,500,000	1,450,000
2 Program revenue	164,944,705	140,090,552
Revenue from CSR promotion activities	164,944,705	138,117,702
CSR activity revenue	117,858,673	92,731,842
PSR activity revenue	36,696,872	34,937,760
Seminar revenue	10,389,160	10,448,100
Revenue from international cooperation activities	0	1,972,850
3 Other revenue	390,297	162,191
II Ordinary expenses	153,845,400	132,820,598
1 Program expenses	113,907,847	97,388,910
2 Administrative expenses	39,937,553	35,431,688
Changes in ordinary revenue and expenses	12,989,602	8,882,145
III Non-ordinary revenue	0	0
IV Non-ordinary expenses	0	0
Changes in current net assets before income taxes	12,989,602	8,882,145
Income taxes-current	1,784,200	675,400
Changes in current net assets	11,205,402	8,206,745
Net assets brought forward	24,978,919	16,772,174
Net assets carried forward	36,184,321	24,978,919

Balance sheet

(Yen)

Accounts title	FY2019 (As of Dec.31, 2019)	FY2018 (As of Dec.31, 2018)
I Assets		
1 Current assets	37,669,975	25,929,382
Cash and deposits	32,233,741	25,929,382
Accounts receivable	5,436,234	0
2 Fixed assets	1,030,001	1,074,924
Tangible fixed assets	1	44,924
Furniture and fixtures	1	44,924
Intangible fixed assets	0	0
Investments and other assets	1,030,000	1,030,000
Security deposits	1,030,000	1,030,000
Total assets	38,699,976	27,004,306
II Liabilities		
1 Current liabilities	2,515,655	2,025,387
Accounts payable	547,750	362,057
Advances received	253,000	0
Deposits received	1,714,905	1,663,330
2 Fixes liabilities	0	0
Total liabilities	2,515,655	2,025,387
III Net assets		
Net assets brought forward	24,978,919	16,772,174
Changes in current net assets	11,205,402	8,206,745
Total net assets	36,184,321	24,978,919
Liabilities and net assets total	38,699,976	27,004,306

Organization

Board Members (as of April 2022)

Chair

Hironori Yano Former Chairperson, Central Nippon Expressway Co., Ltd.
Chairperson, International IC Association of Japan

Vice Chair

Morihisa Kaneko Associate, Panasonic Corporation

Directors

Hiroshi Ishida Executive Director, CRT-Japan

Kimie Iwata Former Chairperson, Japan Institute for Women's Empowerment
& Diversity Management

Kiyohisa Kondo Member of Board of Directors, Senior Management Officer, Director
General, Corporate Strategy, Headquarters
Central Nippon Expressway Co., Ltd

Yasuhiro Tanaka General Manager, Tokio Marine & Nichido Fire Insurance Co., Ltd.

Masakazu Negoro Managing Executive Officer, Senior Vice President, Procurement,
Global, Chief Procurement Officer, Kao Corporation

Chikako Miyata Senior Vice President, Legal & Insurance,
General Administration and Sustainability, ANA HOLDINGS INC.

Auditor

Hiroto Mihyake Certified Public Accountant

Honorable Chair

Toru Hahsimoto Honorable Advisor, Mizuho Financial Group
Member of the Board of Directors,
The Japan Economic Research Institute

Caux Round Table (CRT)の歴史

『経済人コー円卓会議』は通商問題に端を発して日米欧の経済人達によって設立されました。その背景としては、企業が社会の信頼を獲得し建設的な貢献を果たすとともに、様々な摩擦を解決するためには、まず企業自らが行動を律することが基本である、との認識で一致したことが挙げられます。日本では、2000年4月に経済人コー円卓会議日本委員会（CRT-Japan：CRT日本委員会）として新たに組織化され、現在にいたっています。

1986

第1回会議がスイス・コーで開催される。
フレデリック・フィリップス（フィリップス社元社長）とオリビエ・ジスカールデスタン（ヨーロッパ大学院元副理事長）により創設。以降、競争のルール作りや企業の社会的責任を明らかにしようとの議論が続く。

1992

第7回会議
「公正な競争と共存共栄との両立をはかる『共生』の理念」がキャノンの故賀来会長をはじめとする日本側参加者より提案される。その後、公正な企業活動の行動指針をステークホルダーズ（企業を取り巻く利害関係者）ごとにまとめた『ミネソタ原則』が米国側から発表され、続いてヨーロッパ側からも企業に従事する個人の尊厳を強調する『人間の尊厳』の精神が提案される。

1994

第9回会議
日米欧の価値を盛り込んだ『経済人コー円卓会議・企業の行動指針』を採択。

History of Caux Round Table

The Caux Round Table was initially founded by business leaders of Europe, the United States of America and Japan to address mounting trade tensions. The business leaders at the time reached an understanding that to solve various trade tensions, business need to review oneself so that business can win trust from society and contribute constructively. In April 2000, Caux Round Table -Japan was established. -----

The first conference was held in Caux, Switzerland. The Caux Round Table was founded in 1986 by Frederick Phillips, former President of Philips Electronics and Olivier Giscard d'Estaing, former Vice-Chairman of INSEAD, as a means of reducing escalating trade tensions. Since then, the Caux Round Table has been discussing key issues such as developing rules for competition, Corporate Social Responsibility.-----

The 7th Caux Round Table Conference-----
Ryuzaburo Kaku, the former President of Canon Inc. led the Japanese delegation and suggested the principle of "Kyosei" as a key principle for business. "Kyosei" means "Living and working together for the common good." The American delegation suggested "Minnesota Principles for ethical and socially responsible business" and the European Delegation suggested "Human Dignity" as a key principle.-----

The 9th Caux Round Table Conference-----
The CRT Principles for Business incorporating principles from Japan, the United States and Europe was formally launched.-----

特定非営利活動法人

経済人コー円卓会議日本委員会

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