CAUX ROUND TABLE

Version for Public Consultation

2022 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 11th Human Rights Due Diligence Workshop for 2022 continued to use the Human Rights Guidance Tool developed by the United Nations Environment Programme Finance Initiative (UNEP FI) to identify sector specific human rights issues. A total of eight workshops were held during the period from May 19th to July 14th, and this document has been compiled. 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
        October 7th 2022 – November 7th 2022 (Japan Time)
    (2) Submission Address
        Please send your comments to CRT Japan's Nippon CSR Consortium secretariat, by e-mail (info@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 1).

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 2022. 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: info@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

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1   Preface

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

The Nippon CSR Consortium was established in September 2012 to provide a platform for companies to discuss human rights issues not alone, but together with NGOs/NPOs and experts, to raise awareness of the link between 'business and human rights' and to promote corporate activities in consideration with human rights. Since then, it has been running this workshop for 11 years.

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 Principles[1], 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 is hereby opened for public consultation. We would appreciate candid comments on the drafts from stakeholders. The final document will be issued in December 2022.

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 Tool[2]. 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 Report[3] 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 Tool[4] (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 Plaralympic 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

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[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 Compass[6] 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 regard 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, 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.

In 2019, 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 2019, NGOs/NPOs raised globally increasing concerns such as AI and human rights, AI and privacy, relationships between climate change and

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

human rights, foreign workers in Japan, grievance mechanism, and SDGs and human rights. In regard 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 2020, 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. Due to the impact of Covid-19, this workshop, which was originally held from May to July, was postponed twice. In the end, we planned and implemented an online workshop using the Zoom system from August to November. At the beginning of the workshop, the secretariat and participants made some mistakes and were confused about how to operate the Zoom system. However, they accumulated know-how on Zoom methods as they experienced the workshop. In the half of the workshop, face-to-face meetings with adequate infection control measures were also incorporated, and the workshop was conducted in a hybrid format combining both online and face-to-face meetings. Many of the participants were working from home for infection control measures, and the workshop truly reflected the current work style.

In 2021, as was the case last year, NGOs/NPOs and experts raised issues and, referring to the human rights guidance tool developed by the United Nations Environment Programme's Financial Initiative (developed in 2011 and revised in 2014), the Nippon CSR Consortium conducted a review of each sector to see if there were any additions, deletions or amendments to the "Human Rights Issues by Sector" formulated last year. Due to the impact of the Covid-19 since last year, the program was conducted in an online format using the Zoom system. Due to the state of emergency declared during the period (June to October), most of the participants were teleworking, and the programme reflected the work style of the Covid-19. Due to the teleworking environment, some participants came from Chubu, Kansai, Kyushu, Tohoku and the United States, broadening the scope of the programme.

This year's program covered ten themes, including human rights and environmental issues that need to be taken into account as the shift to renewable energy continues, the issue of forced labour in Xinjiang and Uyghur Autonomous Region, which is having a major impact on global supply chains, proposals from Generation Z who have risen to the occasion of climate change, and the hidden challenges of resource recycling. The results were published in the ' Human Rights Issues by Sector (Tenth edition)' and the 'Content of cross-industry sharing/discussion'. The 'Content of Cross-industry Sharing and Discussions' was the result of discussions among participants from other industries on how their business activities had a negative impact on the human rights of stakeholders and how they should respond, using specific examples related to 'business and human rights' presented by civil society.

In 2022, as in the previous year, issues were raised by NGOs/NPOs and experts and, referring to the Human Rights Guidance Tool (developed in 2011 and revised in 2014) developed by the United Nations Environment Programme Finance Initiative, the review was conducted on an industry-by-industry basis to see if there were any matters that could be added, deleted or amended to the "Human Rights Issues by Sector" formulated last year. Due to the impact of the new coronavirus infection (Covid-19), the

programme was conducted using the Zoom system, an online meeting tool, in combination with face-to-face meetings, as in previous years. Due to the declared state of emergency and restricted activities, STEP 1 was held via the web, and from STEP 2 (the sixth session) onwards, the programme was held via a two-dimensional relay between the web and a face-to-face venue with infection countermeasures, reflecting the work style of the Covid-19. The use of a teleworking environment has broadened the range of participants, who now come from all over Japan. This year, 10 themes were discussed by the civil society, including the issues of internally displaced persons and refugees, such as the displaced persons in Ukraine, plastic waste, which is becoming increasingly contaminated on a global scale, migrant workers (including foreign technical interns) in Japan, and the dangers of handling personal information in cyberspace, which is increasingly being used for business purposes. The results are summarised as ' Human Rights Issues by Sector (11th edition)'. This time, the ' Summary of Inter-industry B2B Discussions (12 participating teams) ' (Appendix 2) is also attached as an appendix. In the ' Summary of Inter-industry B2B Discussions (12 participating teams) ', the participants from different industries discussed the following points of view and the secretariat summarised them in a diagram.

- Cases where alleged human rights violations involving the state have had and manifested real business impacts.
- Cases of potential negative impacts of the company's activities following issues raised by civil society.
- The form of 'grievance mechanisms' that should be put in place for socially vulnerable groups.

1-3.   Procedure of the Workshop in 2022

The workshop consists of the following four steps.
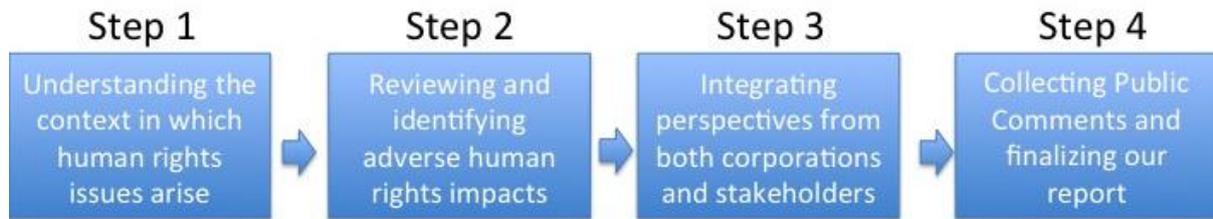
Step1: Understanding the context in which human rights issues arise
- Corporate participants were given a lecture on the particular context in which human rights issues arise by members of NGOs/NPOs and subject experts. After the lecture, the participants from the company, NGO/NPO, and subject experts were separated 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).
  *For each industry, additional supplementary meetings were held on the web, as appropriate, depending on progress.

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)".
  *For each industry, additional supplementary meetings were held on the web, as appropriate, depending on progress.

Step4: Collecting Public Comments and finalizing our report
  The Secretariat invites public comments on this paper from October 7th 2022 – November 7th 2022.

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 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 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.

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 1) 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

The year 2021-2022 saw the pandemic Covid-19 continue to spread across the world with one mutant after another; the sudden Russian military invasion of Ukraine in February created an extraordinary situation that had a major impact on the world's population wherever they lived. An energy crisis, soaring food prices and a sharp depreciation of the yen currency ensued. A major negative impact on global economic activity, on which 'business and human rights' had been premised.

In March last year, the European Parliament adopted human rights and environmental due diligence legislation for companies' own value chains. In October 2009, the UN Human Rights Council (48th session) adopted a resolution recognising the right to live in a clean, healthy and sustainable environment as a fundamental human right, and discussions on climate change as a human right continued at COP26 in November 2009. The importance of viewing human rights in the context of the environment is growing. These trends were efforts to mainstream the promotion of the proper integration of the concept of human rights into the global economy, but the situation changed with Russia's invasion of Ukraine. Russia is using oil and gas as a bargaining chip to create a global energy crisis in retaliation for Russian economic sanctions as support for Ukraine through unity among democracies, particularly in Europe. In Europe, there is concern about energy reserves for this winter, and there has been a move away from nuclear power generation to a decision to restart nuclear power plants.

Also, at the end of August, the Office of the United Nations High Commissioner for Human Rights (OHCHR) published a report stating that "serious human rights violations have been committed" by the Chinese government in the Xinjiang Uyghur Autonomous Region of China. This has prompted national and global human rights NGOs to call for discussions on pursuing the matter at the UN. Forced labour and confinement of minorities (ethnic minorities) who are gathered arbitrarily has been raised as an issue, and in the past two to three years, Japanese companies have also been reported with their real names, making it a human rights issue in the supply chain that requires a response. At the G7 foreign ministers' meeting in October last year, forced labour was discussed, leading to a 'Statement on the Elimination of Forced Labour' with China's Xinjiang and Uyghur Autonomous Region in mind. There are concerns about human rights issues in 'agriculture, solar panels and clothing' where the region is part of the supply chain, and a major Japanese apparel company had its imports suspended in the US in January due to insufficient proof that its suppliers were not involved in forced labour.

In Myanmar, the second year of military rule after the coup d'état continued, and companies continue to be questioned by civil society about indirect human rights violations (facilitation and involvement) by business activities linked to the state military, and Japanese companies are also subject to such violations.

From the perspective of economic security, the year saw the start of serious discussions between government and business on the establishment of supply chains separate from Russia and China (in some regions).

In Japan, the Action Plan on Business and Human Rights (NAP) (October 2020) was formulated, leading to a move from the Ministry of Foreign Affairs to the Ministry of Justice and then to the Ministry of Economy, Trade and Industry. The Ministry of Economy, Trade and Industry (METI) established the Business and Human Rights Policy Coordination Office in July last year. In August 2021, the Government conducted a large-scale survey of listed companies and others on human rights issues in their supply chains, and in September published a collection of examples of corporate initiatives as an interim summary of the survey results; in November, it published the results of the survey. Based on the results of the survey, the government is now considering whether rules and legislation requiring companies to take action are necessary. The second Kishida cabinet (inaugurated in November 2021) announced that it would push for the promotion of 'human rights due diligence' to identify and prevent risks of human rights violations by companies in their supply chains. This appears to be a response to concerns that Japanese companies may lose international competitiveness if they fail to take appropriate action, as legislation requiring companies in Europe and the US to take action is in the process of being developed. In August this year, a public consultation on the Draft Guidelines on Respect for Human Rights in Responsible Supply Chains, based on the Guiding Principles on Business and Human Rights, was conducted. This was in response to a request from a company survey conducted last year (request for the formulation of a guideline document).

In the above series of developments, this Programme was introduced as a "human rights due diligence" initiative that should be referred to, in the guidance on "Responses to 'Business and Human Rights' now required of companies" published in 2021 by the Human Rights Protection Bureau of the Ministry of Human Rights and Justice, and published by the Nippon CSR Consortium. In the guide to "Responding to 'Business and Human Rights' as Required of Businesses Today" published by the Human Rights Protection Bureau of the Ministry of Justice in 2021, the "Important Human Rights Issues (Draft) Japanese by Sector" (public comments to be implemented at the end of 2020) published by the Nippon CSR Consortium was cited as an example to refer to and introduced as a high profile initiative.

In 2021-2222, when vaccination had the effect of continued dissemination in many countries or strict behavioural restrictions were imposed in many parts of the world, countries began to respond to the with-corona and made progress in resuming economic activities. However, with the emergence of mutant strains, the shift from Delta to Omicron strains (BA-1) and BA-2, the number of infected people continues to increase, although the number of severely infected people is decreasing. In Japan, during the sixth wave, the Government of Japan established a balance between countermeasures against 'with corona' infection and socio-economic activities, and no official restrictions on economic activities were imposed during the ongoing seventh wave (BA-2 and BA-5 mainstream) in the summer. Countries have eased entry restrictions and the number of countries where visa-free travel is possible is gradually increasing. In Japan, the easing of travel restrictions continues to be limited.

Covid-19, a pandemic since 2020, has continued to reduce production capacity in the global supply chain, labour availability on transport, rising resource prices and challenges continue to mount: new issues such as mental health due to teleworking in the With Corona era, essential workers The harsh working environment

in the Covid disaster has been revealed, including the working environment of those who cannot stand still, represented by essential workers. These are directly linked to human rights issues.

The workshop among participating companies took place after the issues raised by civil society in STEP 1, shuffling industries and dividing them into 12 teams to promote cross-industry discussions and share the concerns they currently face.

- Cases where alleged human rights violations involving the state have had and manifested real business impacts.
- Cases of potential negative impacts of the company's activities following issues raised by civil society.
- The form of 'grievance mechanisms' that should be put in place for socially vulnerable groups.

This was summarised by the Secretariat as an appendix to this deliverable. This one gives a concrete picture of what the issues are in the business world. The group was then divided by industry and reviewed the human rights issues for each industry.

The companies participating in the Programme are continuously and diligently addressing 'business and human rights'. In the business environment surrounding the aforementioned corporate activities, companies have also initiated human rights due diligence initiatives. However, in many cases, the scope of the subjects of human rights respect (rights-holders) investigated by Japanese companies is their own full-time employees. Although an increasing number of companies are conducting human rights due diligence, including in the supply chain, their methods are mainly questionnaires to check the CSR initiatives of their business partners, and they are not able to approach their employees (frontline workers), who are the subjects of respect for human rights. Some companies were also considering implementing human rights due diligence through the use of various certification systems and social audits, but these do not guarantee meaningful engagement with rights-holders and cannot replace human rights due diligence. Rather than efforts to tick human rights checkboxes, such as questionnaires and audits, companies need to dynamically understand where and against whom human rights and environmental issues are occurring across their entire business relationship.

Only a few companies have been able to visualise their supply chains from their current situation and identify and engage rights-holders in specific vulnerable positions.

As a result of this situation, there is a noticeable delay in the implementation of a grievance mechanism that reaches rights-holders directly. We see the situation as a continuation of the inability to change the paradigm, as the answer is sought as an extension of the whistleblowing system already in operation. The Secretariat feels that companies should be aware of the difference in scope and stakeholders between the whistleblowing system, which focuses on compliance violations, and human rights issues that extend along the supply chain.

Finally, it should be noted that dialogue is the essence of human rights initiatives. The Programme makes human rights issues of concern visible to both civil society and business. As a next step, an important part

of a company's efforts to address human rights issues is to recognise the issues through dialogue with the parties affected by human rights violations and the NGOs/NPOs that support them. The approach of the Programme is to support companies in taking the first step towards conducting human rights due diligence, which is the entry point. If there is a problem, companies are to work with stakeholders to address the issue, using their expertise and strategy to ensure accountability and transparency to ensure legitimacy. By doing so, they can obtain a licence to operate from society and ensure the sustainability of their business. The question is how the programme's corporate participants will incorporate this approach into their corporate management and link it to their own human rights initiatives.

The global economy has aimed to open up markets, but the reality is that its broadening supply chains create a series of obvious and salient issues that need to be resolved. Although the economy has been on an expansionary path, the past few years have also seen the emergence of a new set of national conflicts due to differences in political systems. Furthermore, the global supply chain was dealt a decisive blow when Russia launched a military invasion in February. The supply chain is now under pressure to restructure itself with a security-oriented BCP in mind. Under any circumstances, business activities have the potential to generate negative impacts on human rights, and only corporate activities that address these issues seriously can ensure their sustainability.

Caux Round Table Japan
Nippon CSR Consortium
Minoru Matsuzaki
Hiroki Wada

3. "Human Rights Issues by Sector"

3.1 Manufacturing Sector

Kev value chains in manufacturing sector
Create: research, development, design   Buy: capital investment, procurement   Manufacture: production, manufacturing
Transport: storage, logistics   Sell: sales and marketing   Use: consumption, utilization, maintenance Disposal: disposal, recycling

Key human rights issues in the manufacturing sector			Concrete issues	Value Chain						
				Create	Buy	Manufacture	Transport	Sell	Use	Dispose
	Workplace conditions	Working hours and wage	・Risk that the minimum wage does not match the local standard of living, leading to long working hours. ・Compensation for leave and wages in the event that a child is forced to take an extended leave of absence due to a sudden closure of preschool or schoo (Not guarantee a proper place to stay if the guardian cannot take leave.) ・Risk of overwork due to production adjustments (priority on delivery) *While there is a request to increase production of daily necessities due to COVID-19, there is also a plan to drastically reduce production due to decreased demand. ・Proper working hour management is not carried out. Separation of work and private life (self-reporting). ・Possible lack of proper management of working hours in remote work (work-life balance). ・Possible rounding down of working hours (rounding down of fractions of working hours). ・In the deemed working hours system, there is a risk that overtime is not paid although the prescribed/legal working hours are exceeded (working time management). ・In the deemed overtime system, there is a risk that overtime will not be paid even though the deemed overtime hours have been exceeded. ・Appropriate compensation (wages) for labor is not paid. Not keeping track of hours worked → unable to pay ・Wage disparity may affect the future education of children. ・Risk of transferring increased raw material and energy costs due to geopolitical changes to subcontractors, resulting in longer working hours and lower wages for subcontractors. ・Overtime and long working hours, especially in Japan. Excessive working hours for managers (middle management). ・Inappropriate use of discretionary labor system and deemed management positions ・Disparity in working conditions and wages among group companies. Equal pay for equal work. ・Possibility of long working hours due to old production facilities.	レ	レ	レ	レ	レ	レ	レ

		Health and safety
		  1: Physical, hard
		  2: Mental side
			(1)Workplace accidents resulting in death or serious injury, particularly in research, manufacturing and factory settings [creation/construction].
			(1) Potential for work-related accidents while working from home (lack of safety considerations, health hazards due to different working environments, disruption of the rhythm of life)
			(1) Living conditions that do not provide a minimum of space, such as dormitories with several people per room, inadequate sanitary facilities (showers, toilets, etc.), dormitories set up on the factory premises, management with locks from the outside, etc. may have a negative impact on the health of employees.
			(1) Health and safety standards do not comply with global standards. (emergency exits, evacuation drills, etc.)
			(1) Risk of blurring of work and private life, resulting in a decrease in workers' private life.
			(1) Ensuring the safety of employees and their families in COVID-19 endemic countries
			(1) Ensuring the safety of employees engaged in non-teleworkable work (manufacturing sites) under COVID-19.
			(1) - (4) Long working hours of parents may infringe on the healthy life of their children.
				レ	レ	レ	レ	レ		レ

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Core operation/ Supply chain		3: Health 4: Education	(2) Long working hours may lead to health problems, especially mental health problems. (2) Lack of communication due to remote working may lead to alienation and exclusion from the workplace. (2) Possible failure to receive workers' compensation in the event of injury or illness while working remotely. (2) Risk of having to pay out-of-pocket for increased utility costs associated with remote working (compensation for teleworking allowance). (3) Disease progression due to lack of medical check-ups (3) Progression of occupational diseases due to lack or non-use of protective equipment such as finger sacks, gloves, masks, ear plugs, etc. (3) Permanent remote work and associated long-term work environment may not be in place (e.g. illness less illness). (4) Treatment of foreign workers (especially in terms of health and safety, language issues, etc.) Loss of training opportunities for employees due to long working hours. (4) Differences in educational opportunities due to differences in employment status, nationality, race, gender, age, educational background, length of service, etc.								
	Discrimination	During employment and work	・Risk of unequal treatment in terms of working conditions, training, and promotion ・Discrimination against women and sexual minorities ・Harassment (sexual harassment, power harassment, and remote work harassment) ・Customer harassment ・Technology harassment (against young and old) ・Response to SOGI (sexual orientation and gender identity) (renovation of restrooms and changing rooms, some companies have stopped including gender on resumes) ・Discrimination based on nationality, race, religion, etc. ・Discrimination against non-vaccinated people (forced vaccination) ・Discrimination against infected people ・Discrimination against workers may lead to discrimination against their children ・Discrimination against Russians may occur in the wake of Russia's military invasion of Ukraine. ・Fear that AI may read potential discrimination tendencies in humans through the data it learns (e.g. TMS) and encourage them. ・AI may predict resignations and declines in job offers, resulting in unequal treatment. ・Worker privacy may be infringed by AI monitoring of workers. ・Risk of workers' privacy being infringed by the company's management of workers' vital information (e.g. sleep information).	レ	レ	レ	レ	レ		レ	13
			・The use of AI in recruitment and personnel evaluation may unintentionally encourage discrimination by preventing those in charge from making appropriate judgments. ・Apprentices may be dismissed or returned to their home countries due to marriage, pregnancy or childbirth. ・Risk of apprentices not being allowed maternity/paternity leave, shorter working hours, etc. ・The risk of unequal decisions being made at the time of recruitment due to an unconscious bias. ・Risk of products and services not reaching consumers due to withdrawal from business (e.g. in conflict countries). ・Risk of corporate activities leading to human rights violations due to a lack of ESG awareness among employees. (Due to the trend of the need to introduce the concept of ESG assessment not only to executives but also to general employees, and to raise their awareness of the need to be involved in ESG issues). ・The risk that the working environment of in-house apprentices can be verified, but that of apprentices employed by suppliers cannot be ascertained.	レ	レ	レ	レ	レ		レ	
			・Risk that gender bias may deprive women of freedom of choice in their work and reduce their opportunities to play an active role. (This includes the risk of loss of work experience opportunities due to biases such as not allowing women to carry heavy loads or drugs they cannot handle.) ・The risk of lack of equal promotion in terms of diversity (changes in the ratio of attributes at the time of joining the company and in the ratio of promotion to leadership positions). ・Risk that the image of the industry is not improved, resulting in fewer opportunities for women to play an active role. (not excusing the characteristics of the industry, but due to the lack of awareness of role models and the image of women working through life time events)								
	Child labour	1: Minimum age 2: Addressing young workers	1) Children may be employed in supply chains (subcontracting work, etc.) in developing countries, and that brokers may be using them as intermediaries. 1) Asian workers may apply for employment by falsifying their age. 2) Asian workers may be forced to engage in night work or dangerous work.		レ	レ	レ	レ		レ	16

	Category	Sub-category	Description								
	Forced or compulsory labour	Employment	・Migrant workers (including foreign nationals and domestic migrants) may be required to pay excessive recruitment fees and keep identification documents (e.g., passports) when hired.			✓	✓			✓	
		Forced overtime	・Long working hours due to excessive quotas may lead to de facto forced labor. ・Negative impact on stakeholders may be given in the material production process.	✓	✓	✓	✓	✓			

	Freedom of association		・There may be a lack of dialogue and communication with worker representatives and labor unions.
			・There is a risk that labor-management consultations and collective bargaining are not sufficiently institutionalized and managed.
			  In addition, although the right to collective bargaining is recognized, there is a risk that negotiations are not actually conducted.
			・There is a risk that the rights of workers are not sufficiently secured in the union store system.
			・In countries and regions where the formation and activities of labor unions are prohibited (including cases where they are prohibited in substance), there is a risk that workers' rights are not sufficiently secured.
			  (In some cases, labor unions are not protecting employees and are not fulfilling their roles as they should be.)
			・The risk of impeding the freedom of association of foreign workers.
			・Risk that in Japan the main body for negotiating with the company is the enterprise-based union, which has more influence than the industrial trade unions.
			・Risks due to lack of secure labour rights, e.g. in the delivery and retail sectors.
				✓	✓	✓	✓	✓		✓	

Community	Resources/ local community	Use of natural resources	・There is a risk of over-extraction of resources (upstream supply chain) due to development, design, distribution and sales of products with high environmental impact (high power consumption, low recyclability). ・In addition, there is a risk of damaging the lives and health of local residents in the vicinity of production sites, as well as overuse and pollution of water and land at factories and local construction sites, and depletion of resources [buy/create/dispose]. ・The use of energy and resources that are assumed to have a low environmental impact when in fact they have a high environmental impact, which may lead to environmental destruction and human rights violations. ・Risks of adversely affecting local communities through the use of renewable energy and biomass resources (environmental impact from power plants, promotion of deforestation through the use of palm oil) ・Risk of inappropriate use or disposal by suppliers or final consumers (e.g., ocean plastic problems, increased processes at waste treatment facilities) ・Circulation and use of virtual currencies may generate huge amounts of power consumption ・Risk of destruction of forest and ocean ecosystems due to procurement of raw materials ・Construction and operation of business sites may destroy local ecosystems. ・Risk of continued adverse effects on the global environment due to failure to review the environmental impact of business	✓	✓	✓	✓	✓	✓	✓	
			・The risk of negative environmental impacts in the production of environmentally friendly products. ・Risk of some dominant companies buying up natural energy sources. ・Risk of child labour and forced labour at rare metal mining sites due to semi-conductor shortages. ・Risk of negative impact on the global environment when processing solar panels ・Risk of a sharp increase in waste due to an increase in take-out. ・Risk of increasing the local water burden in overseas production (virtual water problem) ・Lack of automation in car wash machines, dishwashers, etc. may increase water consumption. ・May increase the risk of disease due to the effects of global warming.								
		Disposal	・Risk of microplastics being generated by business activities. ・Risk of low recycling rates despite waste separation. ・Risk of consuming seafood only and consequently contributing to the increase in marine plastic litter.	✓	✓	✓	✓	✓	✓	✓	
	Security	Payments to anti-social organizations	・Funds, products, or services may flow to non-governmental or armed groups in the procurement of raw materials or disposal of products. (e.g. conflict minerals) ・In the procurement of labor, part of the wages may flow to anti-social organizations or armed forces (e.g., technical trainees). ・The placement of landmines and other objects in war-torn countries may affect logistics.		✓					✓	17

	Access to Land	Land ownership	・Risk of forced displacement of indigenous and local residents when acquiring land for business purposes. ・Risk of damaging the value of the land through construction and operation of the project site ・Risk of health hazards to indigenous and local populations due to the spread and infection of viruses caused by land reclamation. ・There is a risk of environmental degradation due to the clearing of mountains and installation of solar panels. ・Risk of leaving unused solar panels unattended due to bankruptcy of operators, etc. ・Use of land without considering its resistance, adaptability and change over time may result in threats to the livelihoods of local residents. 　(e.g. the mudslide problem in Atami). ・Mining of rare metals, gold, etc. may pollute the environment in the surrounding area and cause damage to local residents.		✓	✓					
Society and government	Relations with governments	Bribery and corruption	・Potential risk of being involved in bribery and corruption, such as facility payments, especially at the time of obtaining licenses and authorizations. ・Possible risk of bribery at the time of contract, customs in the industry, collusion (in the form of transactions / operations), risk of conspiracy to fraud at the time of government-related business orders ・The risk that foreign companies with which they have alliances or investments may end up complicit in the military regime by making donations to the military regime, etc. ・Risk of corruption, such as bribes, in order to keep logistics running.	✓	✓	✓	✓	✓	✓	✓
		Relations to states with high human rights risks	・Risk of being involved in human rights abuses when doing business in the country or region where there is a gap between local laws/customs and international standards ・Risk of paying fees to military regimes when using airports in countries such as the military regime, and consequently being complicit in the use of such airports. ・Risks due to the assumption that Japan does not have a high human rights risk.	✓	✓	✓	✓	✓	✓	✓
Others	Relations with customers	Health and safety and protection of personal information	・The risk of harm to the life, health, or property of consumers due to defects in products or services provided to customers, inappropriate marketing activities, or failure to properly disclose information ・Risk of infringement of individual human rights due to inappropriate management of personal information obtained in the business process ・Risk of increased damage due to lack of concrete measures to deal with violations of an individual's human rights ・Inappropriate advertising and information dissemination may cause consumers to feel uncomfortable or have false perceptions, promote discrimination or prejudice, or cause health problems due to false perceptions. ・Product services that do not take diversity into consideration may make it difficult for vulnerable groups to access them. ・The use of PCs and smartphones has become the mainstream for various procedures, and there is a risk that those who are not familiar with IT devices will be left behind. ・The lack of multilingualisation of various procedures may prevent foreigners from accessing the infrastructure necessary for their daily lives. ・Lack of uniformity in industry standards, such as containers, may lead to higher costs and increased waste. ・Lack of consideration for foreigners and children (e.g. child locks) may cause inconvenience and danger to consumers.	✓		✓		✓	✓	✓
	Complicity	Unintended use or misuse	・Surveillance cameras may be used for forced labor facilities or for sexual damage such as voyeurism. ・There is a risk of criminal use of social networking services. ・There is a risk of illegal modification for conversion into weapons such as cars and drones, or for misuse. ・Possibility of stalking by using IC tags. ・The risk of consumers suffering damage, such as rupture or the emission of harmful gases, when detergents, etc. are transferred into containers other than those specially designed for this purpose.（There is a risk of consumers being harmed (e.g. when alcohol disinfectant is put into a container that is not compatible with alcohol). ・Risk of 3D printers producing weapons or other items that infringe human rights. ・Fear of counterfeit currency being produced by scanners. ・Risk of being used for sexual damage such as voyeurism due to advanced camera functions, etc.						✓	18

| | Remedy | Development of Access to Remedy | ・Human rights violations may not be corrected if the remedy contact points and processes are inadequate.
・Inadequate monitoring by a third party may prevent the remedy process from being effective.
・Reports may not be connected to the remedy process.
・The whistleblower may not be protected.
・Current functions may become ineffective
・It is necessary to consider a remediation process that includes the supply chain, but this has not been done yet.
・Lack of information dissemination (absolute lack of information, lack of multilingual support, business practice factors) may prevent recognition as a target of remedy.
・The contact details are displayed only by e-mail or chat and no telephone number is given (or it takes a lot of effort to obtain the information on the telephone number), which may cause inconvenience, especially for visually impaired persons and other consumers.
・The risk of not being able to consult with the contact person in charge of the delivery, even though the contact details of the person in charge of the delivery are known.
・Risk of not being able to trust the consultation service and not being able to make enquiries (psychological safety assurance). | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

This table summarizes the value chains that are considered common in the industry.
Incidents related to specific products and services at an individual company need to be reviewed by individual company.

*Each value chain item includes not only the company itself but also contractors and cooperative companies that outsource manufacturing, logistics, services, etc. at each stage of the value chain. (This also includes contractors in and out of offices and factories.)

Key human rights issues in chemical and building materials sectors			Concrete issues	Value Chain Research	Development	Procure	Produce	Transport	Sell	Use	Reuse and recycling	Dispose
Core operation/ Supply chain	Workplace condition	Working hours	・Concerns that changes in the international situation (e.g. pandemics such as COVID-19, the situation in Ukraine) may have an impact on the global supply chain, resulting in short delivery times for orders, etc., which can easily lead to overtime work, or concerns that overtime work is a regular occurrence that is difficult to remedy and improve. ・Insufficient understanding of working hour management in accordance with the different working conditions in different countries and regions. ・If there is a gap between international norms and the laws of each country, there is a concern that following the laws of countries that allow longer working hours than international norms may lead to health hazards for workers.	✓	✓	✓	✓	✓	✓			
		Health and safety	・Concerns that as a manufacturing industry using hazardous substances (e.g. chemicals) and large scale equipment, it could cause negative impacts on people within the work environment and in the vicinity of the manufacturing site. ・Concerns that accidents during the transportation of hazardous substances may cause health hazards to those involved and to people living near the site. ・Concerns about health hazards to the company's own employees and end consumers when suppliers do not provide sufficient information on chemical substances ・In the case of outsourced safety and functionality testing, if the outsourced company does not have a strong sense of ethics, it could lead to human rights issues. ・Concerns that inadequate measures against infectious diseases such as COVID-19 may lead to damage to workers' health, as it is difficult to introduce teleworking in the manufacturing industry (especially in plant operation) and many construction workers come and go during scheduled maintenance. ・In the case of a discrepancy between international norms and national laws, there is concern that compliance with national laws that allow longer working hours than international norms may lead to health hazards for workers.	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Disciplinary measures	・Concerns that disciplinary practices in different countries/regions differ and that disciplinary action policies have been developed that are not consistent with local practices (company) ・Concerns that disciplinary practices in different countries/regions differ, and that suppliers are unable to identify disciplinary practices and encourage necessary improvements.	✓	✓	✓	✓	✓	✓		✓	✓
		Wage	Concerns at suppliers, contractors, etc. 　(1) Concerns that appropriate wages are not paid in line with working hours 　(2) Concerns that wages paid to foreign technical interns are not understood. 　(3) Delayed or unpaid payments to workers due to turmoil in the financial markets affected by international developments. 　(4) Wages are not set in line with price increases and living wages (wages necessary to maintain an adequate standard of living) are not paid.		✓		✓				✓	✓
	Discrimination	During work	・Concerns that instances of harassment vary by region/period (e.g. discrimination against certain ethnic and sexual minorities, power harassment) and that the global workforce is not adequately addressing the elimination of discrimination at work. ・Concerns about human rights issues due to inability to keep up with improvements in the working environment for foreign workers who do not understand Japanese and workers with disabilities. ・Concerns that employee privacy is not being respected and personal data is not being reliably protected, even though regulations based on the European General Data Protection Regulation are on the way to being strengthened in Japan. ・Concerns about being categorised (gender, sexual orientation or gender identity, age, nationality, language, etc.) based on unconscious bias (unconscious prejudice or assumption) and being deprived of work opportunities, promotions and advancement opportunities in the desired job category. ・Concerns about discrimination in employment opportunities and work environments due to COVID-19 vaccination or non-vaccination. ・Concerns about discrimination against certain racial groups due to international conditions. ・Concerns that workers are subjected to unfair and discriminatory treatment on the grounds of illness, pregnancy, etc., without stating objectively valid criteria.	✓	✓	✓	✓	✓	✓		✓	✓
		Redundancy and dismissal	・Concerns that, in the case of foreign apprentices and temporary staff who have difficulty in being reassigned to a different location, there is a fear that illness, pregnancy, etc. will be used as a determining factor without stating objectively valid criteria, and that implementation will not be based on sufficient communication. ・Concerns about dismissal when it becomes difficult to change work locations due to changes in the life cycle. ・Concerns that changes in the business environment could result in the unexpected loss of employment for those employment types considered particularly vulnerable in the value chain (e.g. non-regular workers, contractors, etc.).	✓	✓	✓	✓	✓	✓			
	Child Labour	Dangerous work and employment/ Working hours and working conditions	・ Concerns that risks exist at Tier 2, 3 and beyond suppliers but are not fully understood as the supply chain becomes more complex and globalised.		✓						✓	✓

Category	Sub-category	Item	Concerns
Child Labour		Minimum age/Employment of young workers under 18 years of age	・Concerns that, as supply chains become more complex and globalised, there are risks at Tier 2, 3 and beyond suppliers that are not fully understood. ・There are differences between local and international laws regarding the concept of reference age, and there is concern that this is not being properly followed up on a regional basis.
	Forced Labour	Exploitation of security deposits and documentation for employment	・Concerns that risks and problems may be overlooked due to a lack of a comprehensive grasp of the existence and actual situation of migrant workers and foreign technical interns on a global scale. ・Concerns about unjustified imposition of costs due to insufficient human rights DD when using the foreign technical internship system and when recruiting trainees.
		Forced overtime	・Forced overwork is demanded to workers when companies receive orders without due consideration of resources (volunteer overtime work is regarded as overtime work).
		Human trafficking	・Concerns about missing risks and problems due to the lack of a comprehensive understanding of the existence and reality of migrant workers and foreign apprenticeships on a global basis.
	Freedom of association	Freedom of association and collective bargaining	・Labour-management negotiations may not be properly conducted. ・Employees may not have a means to discuss issues related to labour without interference of companies. ・Concerns about the outbreak of industrial disputes and human rights problems due to the company's refusal to negotiate with minority unions.
		Measures to be taken when not permitted by national law	・Labor-management negotiations may not be normal. ・Concerns that employees do not have the means to discuss labor-related matters without interference from the company.
	Relationships with suppliers in countries and regions with high human rights risks		・Concerns that procurement from countries/regions with high human rights risks through the selection of suppliers that prioritise their own interests may indirectly contribute to the occurrence of negative human rights impacts. ・Concerns that the company will stop procuring from countries/regions with high human rights risks without encouraging suppliers to make improvements, thereby abandoning the solution to the underlying problem.
Community	Resources	Use of natural capitals (water and land)	As a chemical company, we are working to reduce environmental impact and properly manage chemical substances, but we have identified the following as potential human rights issues. ・Concerns about inappropriate use and disposal by suppliers (customers) (e.g., marine plastics) ・Because the industry uses a relatively large amount of resources and is likely to cause local pollution damage due to spills or exposure to pollutants, the impact on local communities is significant. ・There is a risk of water depletion due to deforestation caused by factory construction and excessive consumption. ・Concerns about the impact of resource depletion on the surrounding population. ・The promotion of conversion from fossil resources to non-fossil resources may lead to violation of indigenous peoples' rights such as forced incarceration of land and adverse effects on biodiversity due to deforestation, etc. Specifically, there are the following concerns 　(1) Concerns that the use of edible plants (corn, soybeans, etc.) as resources will indirectly cause price hikes and food shortages. 　(2) Concerns that the use of biodegradable plastics and biomass fuels made from oil palm will contribute to environmental destruction. 　(3) Concerns that the false image of bioplastics (e.g. biodegradable plastic will return completely to nature) will encourage ocean dumping and impede resource recycling. ・Lack of awareness that environmental issues are part of the human rights agenda. ・Concerns that erroneous operations and decisions due to lack of a human perspective could lead to environmental destruction and health hazards, while promoting materials informatics in materials development and improving efficiency through the use of AI.
Society and government	Relations with governments	Bribery and corruption	・Concerns that bribes may be demanded in cases where new land acquisition is required to obtain permits for factory establishment or sales, resulting in favourable conditions for the company, forcing local residents to change their living environment under unfair conditions or leading to a deterioration of their living environment. ・If the company is involved in corruption, it may be ordered to pay a surcharge or suspend operations, or its reputation may be damaged, which may indirectly affect the employment of its employees (the company).
		Relationship with countries with high human rights risks	Concerns about indirectly contributing to the occurrence of negative human rights impacts (1) Obtaining permits, licenses, etc. and operating in countries with high human rights risks (2) Procurement from such state-sponsored enterprises (conflict minerals, timber, polysilicon, etc.)
Remedy			(1) Concerns that negative impacts on human rights cannot be ascertained due to the lack of establishment, maintenance, and dissemination of a grievance mechanism to a wide range of stakeholders related to the business. ・Concerns that the voices of suppliers from Tier 2 onwards, with whom there are usually no direct communication contacts in the supply chain, are not being heard. ・Concerns that the grievance system remains formal and does not capture the voices of those directly affected. (2) Concerns that the following human rights concerns are not being addressed in a timely/appropriate manner ・Consultation systems/points of contact have not been set up, taking into account local languages, reception times, legal systems, culture, etc. ・The access to the grievance mechanism and the expected response and timeframe are not communicated in advance. ・The value chain is not visualised. ・Information is not properly communicated and appropriate action is not taken from the perspective of respect for human rights. ・No dialogue, disclosure of query details, etc.

A double-check status（レレ）shows greater risks.

3.3 Consumer Goods (Cosmetics and daily goods) Sector

Key human rights issues in consumer goods sector			Concrete issues	Value Chain							
				Research Developme	Procure	Produce	Transport	Advertise	Sell	Use	Dispose
Own employees/suppliers	Working Conditions	Working hours	• 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. • Particularly after Covid-19, the introduction of telecommuting may have led to a situation where management does not function adequately, overtime work and minimum required rest periods cannot be guaranteed on a regular basis. • Overtime and long working hours, especially in Japan. Overwork of managers. • The introduction of male parental leave, family care leave and a three-day workweek may lead to an uneven workforce and a shift in working conditions. • There is a risk of putting a burden on suppliers by reducing their own working hours and focusing on high value-added output to meet diverse needs.	⊵	⊵	⊵	⊵	⊵	⊵		⊵
		Wages	• Pressure from manufacturers, retailers, etc. to reduce costs, which may inhibit the transfer of costs to transaction prices and prevent compliance with the minimum wage and living wage, mainly at suppliers. • 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. • Risk of gender-based wage inequalities. • Fair compensation according to productivity may not be paid.	⊵	⊵	⊵	⊵	⊵	⊵		⊵
		Health and safety	• Education on health and safety, 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. [Emerging concerns due to COVID-19] • The number of people working remotely is increasing, blurring the line between private and professional life, leading to long hours of overtime and excessive workloads, which may cause health problems. • Mental health problems resulting from the lack of communication opportunities associated with increased remote working. • The risk of increased stress and psychological stress due to the risk of infection due to the need to commute to the workplace or shop for work. • The management may have fewer opportunities to visit the work site, and safety checks at the work site may be neglected (e.g. neglecting evacuation drills). • The risk of undue stress due to insufficient information sharing when there is a problem, or being engaged without a follow-up system in the company.	⊵	⊵	⊵	⊵	⊵	⊵		⊵
		Harassment	• Workers may be exposed to physical, sexual, mental or verbal harassment and abuse. • The time spent on measures to increase sales is regarded as important, and there is a risk that not enough time will be allocated to raising awareness of the need to deter harassment. • After Covid-19, there are fewer opportunities for management to visit the workplace, and there is a risk that the actual situation of harassment will not be identified and a response will be delayed. • The number of foreign workers and foreign apprentices and their families may be isolated due to insufficient explanations, including in their own language.	⊵	⊵	⊵	⊵	⊵	⊵		⊵

Category	Sub-item	Aspect	Description							
	Working Conditions	Disciplinary measures	• Improper content of employment rules may cause improper disciplinary measures and treatments. • Sufficient explanations, including language, may no be provided to foreign workers and foreign technical intern trainees.	✓	✓	✓	✓	✓	✓	✓
	Discrimination	Training, promotion, and employment	• Potential for unequal treatment in work environment, training and promotion opportunities due to gender, age, race, religion, LGBTQ, disability status, BLM, etc.	✓	✓	✓	✓	✓	✓	✓
	Freedom of association	Freedom of association, right to collective bargaining	• 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 participation in strikes.	✓	✓	✓	✓	✓	✓	✓
	Grievance Mechanism	Effectiveness of the reporting point for employees	• There is a risk that the grievance mechanism is not in place, or that it is in place but is not functioning (there is a risk that the reporting desk will become a mere formality due to insufficient protection of whistleblowers, lack of awareness of the scope of the target group and the content of the report). • Inadequate multilingual support and inability to identify human rights abuses among vulnerable groups. • Lack of expertise in dealing with LGBTQ issues, which could lead to human rights abuses being left unattended or could cause secondary damage.	✓	✓	✓	✓	✓	✓	✓
Suppliers	Child labour	Minimum age	• 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 at raw material suppliers (plantations, quarries, etc.) • Children may be exposed to child labour including temporary staff and contract employees.		✓	✓	✓			✓
	Forced or compulsory labour	Forced overtime Human trafficking	• Workers may be forced to work by violence, the threat of violence, financial issues, possession of passport, 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.		✓	✓	✓			✓
	Assessment	Human rights violations at suppliers	• Failure to conduct sufficient investigations and exercise influence may encourage human rights violations at upstream suppliers, such as secondary suppliers and production contractors. • Failure to conduct on-site interviews with suppliers' foreign employees, foreign technical interns and trainees (companies where trainees work), who are a socially vulnerable group, to ascertain the actual situation, which may prevent human rights violations from being corrected.		✓	✓	✓			✓
	Grievance Mechanism	Effectiveness of the reporting point for employees	• There is a risk that the supplier reporting contact point may become a dead end due to lack of protection for whistleblowers and lack of awareness of the scope of the target group and the content of the reports accepted.（The scope of reporting needs to be broadened to include a wide range of human rights complaints, including living wages, freedom of association and educational opportunities, as well as non-compliance, bribery and violations of subcontracting laws. The scope and awareness needs to be broadened so that it can be used by any employee of a subcontractor or contractor working in a supplier's factory as a target group). • Multilingual support • The escalation process and remedies (remedy procedures by the legal and compliance departments) need to be determined, otherwise human rights violations could escalate.		✓	✓	✓			✓
	Mutual information management system		• Inadequate information sharing systems with primary and secondary suppliers may lead to human rights issues among supplier employees.		✓	✓	✓			✓
Business partners	M&A	Human Rights Assessment in Acquisition Audits	• Risk of human rights violations not being remedied due to inadequate human rights assessments of companies under consideration for M&A during acquisition audits.	✓	✓	✓	✓	✓	✓	✓
	Business partners	Human rights issues at business partners	• Risk of human rights violations not being remedied when human rights issues become apparent within the supplier's company, whether upstream or downstream.	✓	✓	✓	✓	✓	✓	✓
	Logistics	Working environment	• There is a risk of manufacturers and distributors requesting unreasonable delivery dates from upstream, resulting in long working hours and overwork becoming a chronic problem. • Failure to reform business practices and insufficient consideration of SCM functions when changing business models, such as increasing the ratio of e-commerce, may lead to chronic long working hours and overwork of employees of logistics providers.			✓				

Category			Description								
	Applicants		• Likelihood of human rights violations (discrimination in terms of education, gender, nationality, harassment, identity theft) against applicants for employment • Potential for unequal recruitment and hiring with restrictions on gender, age, race, religion, LGBTQ, disability status, BLM, etc.	✓	✓	✓	✓	✓	✓		✓
Planet / Society	Local residents	Health hazards in daily life	• Air pollution, emissions of chemical substances, and wastewater caused by business operations that may be harmful to the health of local residents	✓	✓	✓	✓		✓		✓
		Infringement of living space and time	.• Risk of impact on land rights of indigenous peoples and local communities due to construction of new sites • Risk of impact on the daily lives of indigenous peoples and local communities through noise, air pollution, and traffic safety due to business operations	✓	✓	✓	✓		✓		✓
	Natural Environment	Water stress	• The risk of drought due to the use of large amounts of water.	✓	✓	✓				✓	✓
		Climate Change	• Negative impact on the global environment by emitting large amounts of CO2.	✓	✓	✓	✓			✓	✓
		Terrestrial resources	• Manufacturing products may cause an adverse impact on the protection of forest eco-systems. • Abandoning waste or illegally dumping it because of not selecting an appropriate contractor.	✓	✓	✓			✓		✓
		Marine resources	• Manufacturing plastic products may cause an adverse impact on the protection of marine eco-systems.	✓	✓	✓	✓			✓	✓
	Relations with governments	Bribery and Corruption	• Bribes may be demanded when obtaining permits and licenses.	✓	✓	✓	✓	✓	✓		✓
		Relationship with countries with low awareness of high human rights risks	• Risk of complicity in human rights abuses due to proximity to countries with high human rights risks		✓	✓	✓	✓	✓		✓
Consumers	Relationship with Consumers	Health and safety	• The risk of inadequate measures to improve the quality and safety of products and to reduce risks to consumers.	✓	✓	✓	✓	✓	✓	✓	✓
			• Inadequate communication of correct information may lead to inappropriate use of products, to the detriment of both consumers and manufacturers.	✓			✓	✓	✓	✓	✓
			• Insufficient traceability of materials and products may cause disadvantages to both consumers and manufacturers.	✓	✓	✓	✓	✓	✓	✓	✓
			• The risk of insufficient resolution of consumer issues through innovation.	✓				✓	✓		
		Privacy	• Personal information such as privacy information and delivery addresses contained in purchase behaviour and cookies such as customer medical records and monitor data, surveillance cameras, electronic purchasing and use of point systems may be leaked, managed improperly, processed or transferred and used inappropriately. • The seller or manufacturer may not clearly state the terms and conditions or use difficult expressions regarding the handling of privacy information including facial images such as the use of various simulators and diagnostic equipment, which may cause misunderstanding, anxiety or disadvantage to consumers as they may not be able to fully understand the handling of information. ▪ Risk of personal information (e.g. website browsing history, electronic purchase history tracking, recommendation functions) being used without the consent of the parties concerned, as the seller or manufacturer prioritises marketing activities.	✓			✓	✓	✓	✓	
		Respect for the individual	• Advertising/marketing and sales activities may promote stereotypes of uniform beauty, gender, generation, etc. • There is a risk that the use of AI, etc. may cause the provision of algorithms and information that may promote consumer misperceptions and stereotypes.	✓			✓	✓	✓		
		Children's health and safety	• Potential for children's rights to be violated, for their healthy development to be hindered, or for their safety or health to be endangered, by not providing sufficient information on product use and skin knowledge, including information on usage and quality. • There is a risk of not ensuring equal access to products that meet the needs of children according to their growth characteristics.					✓	✓	✓	
		Harassment and discrimination	• The risk of violating human rights without prior confirmation that the advertising and marketing does not induce discriminatory harassment. • The advertising and marketing activities may give the impression that they are associated with, condone or encourage discrimination or bullying. • The possibility of being disadvantaged in use due to differences in gender, age, nationality, race, religion, LGBTQ, disability status, BLM, etc.					✓	✓	✓	

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		Sustainable society	• Risk of environmental impact due to disposal of plastic products, containers, and packaging. • Failure to control the use of virgin plastic in containers and packaging materials may not provide consumers with an awareness of the need to save plastic and may contribute to negative environmental impacts. • Failure of sellers and manufacturers to involve consumers in raising environmental awareness may contribute to negative environmental impacts. • Failure to provide easy-to-sort containers and packaging may undermine consumers' awareness of disposal and contribute to negative environmental impacts.	∟		∟	∟	∟		∟	∟	∟
		Ethical advertising and marketing	• Risk of human rights violations without prior confirmation that advertising marketing does not induce discrimination and harassment. • Risk of recurrence of human rights violations due to advertising and marketing without applying the lessons learned to future business activities when such violations occur.							∟	∟	∟
		Monitoring and assessment	• The risk that human rights violations caused by advertising and marketing or by individual employees are not actively monitored (e.g. through SNS monitoring) and that they are not corrected. • When human rights violations occur as a result of advertising and marketing, sales activities or business activities, the lessons learnt are not utilised in future business activities and may recur.							∟	∟	∟

3.4 Food and Beverage Sector

Key human rights issues in food sector			Area of risk occurrence	Concrete issues	Value Chain						
					Research Development	Procure	Produce	Transport	Sell	Consume	Dispose
		Working hours	global	・The company's own and contract manufacturers' manufacturing plants (suppliers), logistics drivers, etc., all work long hours. ・There is a risk of long working hours in all operations, including the company's own and contract manufacturers' manufacturing plants (suppliers) and distribution drivers. ・Possible occurrence of overwork due to pressure to increase production under the influence of temporary special demand, and possible problems with working time management due to the increase in teleworking as a result of changes in working methods. ・ Possible occurrence of working time management problems (service overtime). ・ The impact of COVID-19 may lead to a significant reduction in working hours, resulting in a decrease in wages. ・ Impact on employees' families due to long working hours ・ Staff shortages and increased workload due to spread of infection ・ Concern on chronic overtime due to staffing based on overtime work.	∨	∨	∨	∨	∨		∨
				・ Concern on mental illness due to the psychological burden on employees who have no choice but to come to work. ・ Concerns about long working hours due to second and concurrent jobs. ・ (Impact of COVID-19) Difficulty in securing working hours for the childcare generation due to childcare, school holidays and online classes. ・ Concerns about the worsening of manpower shortages due to infectious diseases, war, etc. and the resulting increase in employee working hours ・ Concerns about the increase in working hours due to the worsening manpower shortage and the resulting increase in working hours of employees							
		Wages	global	・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 effectively to the society such like fair trade enables to increase consumer`s safety and corporate value, as well as pay fair wages to local workers. ・The wages of foreign workers may not meet the minimum standard of living. Housing for them may not be well taken care. ・Securing wages according to working hours (compliance with laws and regulations in each country) ・Wages are not guaranteed due to factory operation suspension, lockdown, etc. given the influence of COVID-19.	∨	∨	∨	∨	∨		∨
				・Differences in wages between employment types despite the same work content due to the impact of COVID-19. ・Wages are below the standard of living. ・Foreign workers and apprentices are treated unfavourably, with unfairly low wages, suspension of employment and other disadvantageous treatment. ・Japanese workers are also treated unfavourably, such as dispatched workers being paid unfairly low wages and being stopped from being employed. ・Unreasonable deductions from wages that are not pre-determined (e.g. toilet charges) and not recorded on the payroll.							

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Workplace conditions			Japan	・ Inability to raise wages due to inability to pass on price increases in raw material prices to prices ・ Unemployment due to production stoppages, substantial decrease in remittances to home country due to yen depreciation, and decline in attractiveness of labour in Japan. Increased competition among suppliers due to difficulty in securing raw materials (biased selection of suppliers, monopoly of available raw materials) Potential deterioration of working and wage environments at suppliers not selected. ・ Discrepancies with international standards in the guarantee of living wages to suppliers. ・ The difference in take-home pay between urban and rural areas is large because the level of rent collection for foreign workers is the same in urban and rural areas. ・ The level of rent collection for foreign workers is the same in urban and rural areas, so there is a large difference in take-home pay between urban and rural areas.							
		Health and safety	global	▪ The health and safety of employees/workers may be threatened by hazardous work in product manufacturing (including raw material procurement) and research and development processes, handling of chemical substances including pesticides, inadequate response to occupational accidents and overwork (also from the perspective of employees = physically challenged persons). ▪ The use of colour barrier-free systems to reduce risk (consideration of colour use), direction of door opening and closing, language signage for foreign workers, and the use of assistive devices to cope with heavy-muscle work, etc., are necessary to accommodate various cultures and diversity. ▪ The burden of work at distribution centres (unloading containers, working in freezers, etc.) is heavy and falls on those who are in a weaker position, and there may be a lack of health considerations. ▪ Insufficient support for foreign workers in terms of access to medical facilities, food, clothing and housing, and mental health. ▪ Inadequate infection prevention in the workplace (not only COVID-19 but also other diseases and infections) ▪ Insufficient infection prevention measures for children, fear of parents abusing or neglecting their children under the influence of COVID-19 - No robust medical check-ups for all employees and no company action based on the results ▪ Insufficient provision of physical space for relaxation ▪ The physical workload inherent in remote working is left to the individual. ▪ (Impact of COVID-19) - Mental health problems due to increased teleworking (obstacles to work progress, stress) and reduced communication due to restricted outings, as well as deterioration of employee health and safety, such as poor physical condition due to lack of physical exercise. ・Risk of infection during commuting and working for workers who cannot telework, e.g. in factories. ・Safety and health risks for older workers. ・ (Health and safety added to ILO Core Standards) - Lack of awareness and delayed response by companies regarding health and safety may threaten the health and safety of their employees. ・ Health and safety may be threatened due to lack of response by companies to the addition of ILO Core Standards (health and safety). ・ Lack of education and training opportunities for night workers, short-time workers and temporary workers may endanger their health and safety. ・ Risk of threats to the health and safety of employers due to rising costs of raw materials and energy. ・ Risk of not clearly indicating evacuation routes, nearest evacuation points of accommodation, etc. in a language that foreign workers can understand. ・ Risk of insufficient evacuation drills at the workplace (especially for night workers, short-time workers and temporary workers). ・ Restrictions on eating (e.g. raw oysters, bivalves, etc.) due to hygiene controls such as norovirus prevention may lead to infringements of rights.	✓	✓	✓	✓	✓		✓
		Disciplinary action	global	・Compliance with the implementation of disciplinary action for an employee who engages in harassing behaviour ・Implementation of appropriate disciplinary action in accordance with laws, regulations and office regulations ・The risk of international condemnation for taking a pay cut as a disciplinary measure prohibited by international standards.	✓	✓	✓	✓	✓		✓

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Core operation / Supply chain	Discrimination	During employment	global	・ Risk of discrimination in recruitment based on race, gender, religion, region, LGBTQ, SOGI, disability, ethnicity, creed, medical history (e.g. HIV), care, fertility treatment, childcare, etc. ・ Risk of debt to sending agencies, such as recruitment fees and payments to foreign language institutions, which are in effect debt labour. There is also a domestic problem of recruiting without realising the background to this. ・ Risk of working under inadequate conditions due to failure to present working conditions in a language understood by foreign workers at the time of recruitment. ・ Risk of repeated discrimination due to complicity in reproduction of bias due to unconscious bias and lack of recognition	✓	✓	✓	✓	✓		✓
		During work	global	・ Likelihood of workers (including foreign employees, disabled persons and temporary employees) receiving inadequate safety training and unequal treatment. ・ Likelihood that workers will be forced into precarious forms of employment. ・ Discrimination based on employment status (e.g. lack of training opportunities or not being allowed to attend meetings). ・ Harassment (sexual harassment / power harassment / maternity harassment / SOGI harassment etc.) from/to business partners ・ Harassment and discrimination against COVID-19 infected persons and their families. ・ Lack of working environment facilities for persons with disabilities ・ Lack of LGBTQ-friendly facilities (e.g. toilets and changing rooms) ・ Insufficient LGBTQ-friendly facilities (e.g. toilets, changing rooms, etc.) ・Incidence of harassment invisible to those around them due to increased telework ・ Discrimination, invasion of privacy and restrictions on work based on COVID-19 vaccination status							
			Japan	・ Manuals that are multilingual and multi-religious, consideration for the working environment, and the risk of discrimination due to different nationalities, religions, etc. ・ Discrimination and harassment of foreign technical interns by receiving companies. ・ In the factory, workers are made to wear work clothes/hats of different colours depending on their nationality. ・ Need for consideration of prayer rooms, hijabs, national etiquette, etc. ・ Lack of direct communication by Japanese to foreign workers (too much reliance on interpreters) ・ Lack of a unified approach to time management. ・ The need for consideration of the etiquette of each country. ・ Possible coercion of vaccination.	✓	✓	✓	✓	✓		✓
		Assessment Treatment Dismissal	global	・ The need to support the livelihoods of foreign workers and their families, and to prevent their isolation in the community. Support for foreign workers and their families in their daily lives and prevention of isolation in the local community are necessary. ・ The Japanese Government should implement promotion and salary increases for foreign workers in accordance with their evaluations. ・ ・ Equal and fair treatment of foreign workers, including Japanese workers. ・ The decrease in demand in COVID-19 has led to unfair dismissal of those in vulnerable positions in labour contracts, such as non-regular workers. ・ Imposition of high-risk jobs on those in weak labour positions. ・ Wages not guaranteed in the event of factory non-operation due to the COVID-19 disaster. ・ Discrepancies between the contract and treatment of employees (including technical trainees).							
			Japan	・ Few female managers, delayed implementation of barrier-free access, possible undermining of job satisfaction for people with disabilities. ・Appropriate implementation of promotions and pay rises based on evaluations for foreign technical interns. The lack of communication creates isolation, and there is no evaluation or treatment that is worth working for. ・Seniority-based evaluations do not allow for proper assessment. ・Differences in treatment between new graduates and mid-career hires. ・Lack of consideration for male employees and others as a result of the expansion of the system for women. ・Lack of consideration for male employees, etc. when expanding the system for women. ・The company has a system that is based on the assumption that promotional examinations are conducted in Japanese. ・The number of women in management positions is increasing. ・Possible deterioration of the employment environment and maintenance of an appropriate evaluation and treatment system due to rising costs of raw materials and energy.	✓	✓	✓	✓	✓		✓

Issue	Conflict with local law	Region	Description								
Child labour (14 years and under)		global	・ Fear of child labour below the minimum age for employment, fear of identity forgery ・ Fear of children losing their right to education and suffering physical and mental damage. ・ Increase in child labour due to increase in the number of poor due to widening disparities in the COVID-19 disparities. ・ Confirmation that there is no child labour in upstream suppliers (secondary and tertiary), especially in developing countries. ・ Child labour in family business settings. ・ Late night work of child talent in (domestic) commercial filming.	✓		✓	✓	✓	✓		✓
Employment of young workers under 18 years of age		global	・ Night work, engaging in hazardous work, identity forgery. ・ Lack of awareness of possible risks in the country as hazardous work for under-18 (some manifest cases in the news exist). ・ In some small-scale crop producers, young people under 18 years of age are involved as domestic labour.	✓		✓	✓	✓	✓		✓
Forced or compulsory labour		global	・ Forced labour against immigrant workers may occur. ・ Illegal immigrants may receive inhumane treatment. ・ Forced labour in procurement process of agriculture, forestry and fisheries may occur (Working environment at the fishery working site). ・ Long working hours may occur due to excessive requests from business partners. ・ Conclusion of an employment contract is required. Employment contracts should be prepared in local languages, or in the language of foreign nationals. (Global) ・ Confirming whether employees of tier 2, tier 3 suppliers experience excessive working hours, especially in the developing countries. ・ The company may have control over workers' ID cards, etc. ・ The company may be forced to procure raw materials other than certified sustainable products due to supply chain disruption, which may lead to the procurement of raw materials suspected to be used for forced labour.			✓	✓	✓	✓		✓
		Japan	・ Exploitation of technical intern trainees (e.g. taking a passport away), engagement in dangerous labor. ・ Slave labour in procurement process of agriculture, forestry and fisheries (working environment in domestic livestock sites) ・ Forced savings at the time of contract (Employers take passbook seal away from employees) ・ Support for technical intern trainees who have difficulty going home during the COVID-19 crisis ・ The existence of temporary employment agencies that force foreign students to register and work in exchange for covering their tuition fees and commissions. ・ The high fees charged to sending agencies and brokers in the home country for technical interns, which may lead to forced labour.								
Freedom of association collective bargaining	Conflict with local law	global	・In countries where unions are not permitted, or where they are permitted but not applied as a matter of substance, there is a risk that freedom of association and the right to collective bargaining (in accordance with international law) may not be ensured. ・In countries with weak legal systems, even if freedom of association is recognised and there is a union in the company, there is intimidation on the part of the company and the union does not fully function in practice.	✓		✓	✓	✓	✓		✓
		Japan	・The right to freedom of association and the right to associate may not be adequately explained to foreign technical interns. ・The following are some of the most common reasons why foreign technical interns may be restricted or prohibited from joining trade unions.								
Access to Remedy		global	・ It is necessary to address grievances throughout the value chain. Concerning consumption, it is necessary to provide 24/7 customer support and multilingual printing. ・ It is essential to establish not only whistleblowing system, but also grievance mechanisms for external stakeholders. ・There is a risk of insufficient access to the hotline (e.g. employees are unaware of it, the system is difficult to use, it is not resolved, etc.). ・Even if multilingual support is available, there is a risk that complaints and consultations will be ignored or put off, for example, because they are too cumbersome to deal with. ・Possible that complaints/consultations in need of resolution are ignored/put off due to the high number of consultations that do not require redress.	✓		✓	✓	✓	✓	✓	✓

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Category	Sub-category	Item	Region	Description							
	Protection of Privacy		Japan	・Use of data of security cameras for food defense may infringe on privacy. ・Appropriate management of personal data. ・The risk that privacy may not be adequately ensured, particularly due to the allocation of dormitory accommodation for technical interns and internal inspections of dormitories by audits, etc., and the infringement of rights through unwilling consent due to ignorance of the rights granted. ・The risk of privacy infringements due to systems failing to keep pace with technological innovations such as AI and the metaverse. ・The risk of using AI analysis alone for personnel data and recruitment data that can affect lives. ・The increased risk of leakage due to multiple parties (employers (other than HR managers), supervisory bodies, sending organisations, etc.) managing personal information of foreign technical interns.			✓	✓			
Community	Resources	Use of natural resources	global	・Large-scale agriculture, fisheries and forestry in the raw material sourcing areas may cause communities to face reduced production and catches. ・Impact on livelihoods, traditions, local ecosystems (e.g. air pollution, soil contamination, pollution from waste and plastic waste) and access to water for local people and indigenous peoples. ・Risk of loss of food self-sufficiency due to mono-cropping (conversion to cash crops). ・The risk of over-extraction of resources (upstream supply chain) due to environmentally hazardous product development, design, distribution and sales (e.g. high electricity use, low recycling). ・Generation of plastic waste due to packaging that is difficult for consumers to sort and recycle. ・Environmental pollution of export destinations due to the export of waste plastic, and deterioration of the health of the population. ・Possible increase in water stress due to increased water use throughout the supply chain, including increased planting of agricultural crops.	✓		✓	✓	✓			
		Climate change	global	・Reduced yield due to global warming ・Impact on the living area due to the occurrence of natural disasters caused by climate change ・Impact on employment due to business shutdowns caused by droughts, etc. ・Impacts on livelihoods, such as the impact of climate change due to the expansion of agricultural land and the resulting increase in natural disasters. ・Delays in reducing food losses and contributing to poverty inequalities due to the lack of a food system.	✓		✓	✓	✓	✓	✓	✓
		Impact on community	global	・Negative impact on community lifelines due to pollution (noise, vibration, foul odor, waste, etc.) associated with construction and operation ・Infringement of access to evacuation shelters in the event of a disaster ・Triggering of poverty through price increases ・Violation of water access rights of local communities due to excessive water abstraction by beverage and food factories			✓	✓	✓			✓
	Access to land	Title to land	global	・Titles to the land of local people or indigenous groups may be ignored at the occasion of land enclosure, especially when constructing such as fields, ponds, factories/manufacturing sites, and waste treatment plants.			✓	✓				✓
	Investment to community		global	・The withdrawal of local factories and projects may reduce employment in the surrounding area, which may lead to a decline of the local economy. ・Possible loss of jobs due to business withdrawal or suspension of trade due to geopolitical risks	✓		✓	✓	✓	✓	✓	✓
	Access to remedy		global	・The factory needs to take into account and greivance not only at the time of the employee, but also in the home environment and family life of the worker. ・Possible failure to reach complaints and consultations of neighbours of factories and other business establishments.	✓		✓	✓	✓	✓	✓	✓
	Relations with society and governments	Bribery and corruption	global	・In establishing factories and gaining marketing rights (marketing license), companies may be demanded for bribes to acquire lands and permissions. ・Contributes to poverty inequalities, delays or hinders the resolution of issues.			✓	✓		✓		✓

Category	Sub-category	Topic	Region	Description							
Society and government	Relations with governments and companies with low awareness of human rights		global	・ Human rights abuses such as human trafficking due to collusion between the sending organisation and the government of the country concerned. ・ The following are some of the situations in which the company may be involved in human rights abuses ・ The risk of being complicit in human rights abuses when operating in countries or regions where there is a gap between local laws and customs and international standards. ・ In countries with good information management controls, even third-party audits may be influenced by the authorities and may be far removed from the actual situation. Contractual bindings may not make sense.		✓	✓		✓		
Consumer	Health and safety	Provision of proper information	global	・ Possible health or religious problems for consumers due to inappropriate labelling (e.g. raw materials, misrepresentation of quality, etc.). ・ Inappropriate marketing may lead consumers (especially minors and the elderly) to erroneous eating behaviour. (Health hazards due to excessive intake of certain ingredients) ・ Possible health hazards due to failure to warn. ・ Possible health hazards, religious problems, etc. among foreign consumers in Japan due to the lack of language descriptions that they can understand..	✓				✓	✓	
		Quality control	global	・ Insufficient quality control (storage conditions, hygiene control, process control, transportation control, etc.) and hygiene training for employees may cause health hazards to consumers. ・ Insufficient measures against intentional quality degradation (food defense) ・Are products developed with easy-to-understand labelling and accessibility for people with disabilities?	✓	✓	✓	✓	✓	✓	
			Japan	・Potential for large amounts of food loss due to excessive quality control (e.g. zero missing items).	✓	✓	✓	✓	✓	✓	
	Discrimination	Responsible disposal	global	・ Failure to properly dispose of waste (e.g. food residues and waste plastics) may lead to environmental degradation. ・ Child labour and forced labour in waste disposal operations. ・ Food loss due to lack of consumer awareness ・ The possibility of expired food being exported to third countries and causing health hazards. ・ Continued use of virgin plastic in packaging materials may aggravate the waste problem.	✓	✓	✓	✓	✓	✓	✓
		Gathering appropriate information	global	・Lack of consideration for human rights when collecting marketing information, such as questionnaires, gives a discriminatory impression of minorities.	✓	✓	✓		✓	✓	
		Privacy Protection	global	・ Leakage, storage management, information processing management and information transfer management of personal information obtained through consumer campaigns, mail order, membership registration, etc. (also considering contractors) ・ The risk of infringement of privacy due to the system not keeping pace with technological innovations such as AI.				✓	✓	✓	

3.5 Pharmaceutical Sector

Key human rights issues in pharmaceutical sector			Concrete Issues	Value Chain							
				Research	Develop	Procure	Produce	Transport	Sell	Consume	Dispose
Core operation/ Supply chain	Working conditions	Working hours	・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	・Wage levels are not in line with local living standards ・Possible failure to pay adequate wages for overtime work due to non-compliance with national/regional labour laws. ・Unjust treatment of non-regular workers (including foreign nationals) and foreign technical apprentices (evaluation, low wages, etc.) ・Possible failure to realise equal pay for equal work.	⌴	⌴	⌴	⌴	⌴	⌴		⌴
		Employment Status	・Impact on child development and family mental health of salespeople and expatriates working alone.	⌴	⌴	⌴	⌴	⌴	⌴		
		Health and safety	・Employees' health and safety may be harmed due to dangerous work at research and development sites, handling of animals, cells, compounds or pharmaceuticals, and insufficient occupational safety and health (defective protective equipment, insufficient education, etc.) ・Incomplete SDS may jeopardize health and safety of employees and transport workers. ・Description of instructions, signs and others may not be correctly understood by all the workers, which may jeopardize health and safety. ・Health and mental damage may occur due to long working hours and social isolation.	⌴	⌴	⌴	⌴	⌴	⌴		⌴
		Health and safety	・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, improper involvement in clinical data may occur.		⌴						
		Disciplinary actions	・Unfair disciplinary actions may be executed by companies. ・Risk of the rights of whistleblowers being undermined by unfair treatment due to the lack of a whistleblowing system.	⌴	⌴	⌴	⌴	⌴	⌴		⌴
		Excessive monitoring	・Excessive monitoring of employees and control of their working conditions.	⌴	⌴	⌴	⌴	⌴	⌴		
	Discrimination	Employment	・Discrimination may occur based on characteristic or attribute such as birthplace, nationality, sex, SOGI, age, race, belief, religion, and presence of disease.	⌴	⌴	⌴	⌴	⌴	⌴		⌴
		During work	・Harassment (sexual harassment, power harassment, maternity harassment, SOGI harassment) ・Discrimination in employment form may occur based on gender, birthplace, nationality, age, race, religion, SOGI, presence of disease. ・Posssibility of being forced to be vaccinated ・Risk of being forced into precarious employment ・Risk of incorrect application of internal systems (e.g. parental leave, family care leave, sick leave, etc.)	⌴	⌴	⌴	⌴	⌴	⌴		⌴

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Category	Sub-category	Topic	Description								
		Redundancy and dismissal	・Organized dismissal may occur based on race, sex, SOGI, age, belief, religion, presence of disease. ・Unfair pressure may be given based on differences in employment form.	✓	✓	✓	✓	✓	✓		✓
	Child labour	Legal compliance to employment age Employment and dangerous work under 18 years of age	・Child labor under the minimum age of each country may occur. ・The following problems may arise if young workers under the age of 18 are hired. - Loss of educational opportunities - Exploitation - Mental and physical damage	✓	✓	✓	✓	✓	✓		✓
	Forced or compulsory labour	Forced or compulsory labour	・Immigrants, refugees, non-permanent workers including foreign workers, foreign technical intern trainees may be exposed to forced labour by being taken disadvantage of their vulnerable positions.	✓	✓	✓	✓	✓	✓		✓
	Freedom of association and collective bargaining	Freedom of association and collective bargaining	・Participation in labor unions and similar organizations may be obstructed due to retaliation, intimidation or harassment from business people. The opportunity for labor-management consultation is not substantially secured.	✓	✓	✓	✓	✓	✓		✓
		Measures not permitted by domestic law	・Freedom of association and collective bargaining rights (in accordance with international law) may not be ensured in countries where trade unions and similar organizations are not recognized ornot applied in practice even if recognized.	✓	✓	✓	✓	✓	✓		✓
	Personal information	Management of personal information	・The risk that personal information such as personal health records (including genetic information) may be leaked or misused, leading to the identification of individuals or invasion of their privacy. ・The risk that personal information obtained in the course of the work of healthcare professionals, patients, employees, etc. may be leaked or utilised beyond the scope of the person's authorisation.	✓	✓	✓	✓	✓	✓		✓
Community	Resources	Use of natural resources	・Bio-piracy may occur in sourcing natural compounds that are essential for drug development.	✓	✓	✓	✓	✓	✓		✓
	Environmental impact of pharmaceutical products	Health and safety	・Pollution of the environment by animals, cells, medicines, chemicals and waste plastics, which may endanger the health of the population and spread contamination to the animals and plants on which they feed. ・Water and land abuse at factories and local construction sites.	✓			✓	✓		✓	✓
	Local residence	Right of residence	・Forced evictions following the construction of new factories and other new buildings, violation of residents' rights to their living environment. ・Effects on local communities due to inadequate disaster prevention measures at factories, offices, etc.	✓	✓			✓	✓	✓		✓
Relations with governments	Operations in high conflict risk areas and conflict zones	Product supply risk	・Products may not be provided to people in needed due to unstable social situations. ・Likelihood of indirectly contributing to conflicts in the area (products, funds)	✓	✓	✓	✓	✓	✓	✓	✓
	Bribery and corruption	Relations with authorities	・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 (including researchers)	・Falsified data on research, clinical trials and prescription. Illegal acts may be conducted to request to create data that gives advantage in sales and promotion.	✓	✓	✓			✓		
	Governments with poor human rights awareness	Relations with public policies	・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.				✓	✓	✓	✓	✓	✓
Access to Remedy	Grievance	Relationship with patients and study subjects	・Appropriate remedy may not be provided due to insufficient or undeveloped systems.		✓					✓	
		Employee and Supply Chain	・Appropriate remedy may not be provided due to insufficient or undeveloped systems.	✓	✓	✓	✓	✓	✓		✓

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Category	Sub	Topic	Risk								
Consumers	Relations with patients	Health and safety	・Inadequate efforts to combat counterfeit medicines			✓	✓			✓	✓
			・Risk of health hazards due to abuse and misuse.				✓			✓	
			・Risk of health hazards due to delayed reporting of adverse drug reactions.					✓	✓		
			・Injuries due to product defects or accidents during handling (including doctors, nurses,						✓	✓	
			・Risk of using investigational or therapeutic drugs on patients without sufficient prior explanation.		✓				✓	✓	
			・Risk of health damage to patients due to side effects of medication or incorrect medication.							✓	
			・Risk of taking inappropriate prescription and treatment due to exaggerated PR of product						✓	✓	
			・Risk of being forced to take vaccinations, and the risk of human rights violations by not taking vaccinations.	✓	✓	✓	✓	✓	✓	✓	✓
		Consideration for vulnerable subjects	・Risk of lack of access to treatment for rare diseases	✓						✓	
			・Possible inability to provide medicines in a timely and appropriate manner due to depopulation of the region and reduced access to healthcare due to changes in the supply-demand balance		✓		✓		✓	✓	
			・Lack of access to medicines or information about them due to language barriers						✓	✓	✓
			・The risk that, despite clinical trials, the drug may not be approved and marketed in the country concerned and reach patients.						✓	✓	
Others	Public health	Actions to pandemic	・New pandemic virus may endanger lives of people and deteriorate the public health of	✓	✓	✓	✓	✓	✓	✓	
			・Social unrest and security deterioration caused by pandemic may hinder business activities and make it difficult for drugs to be supplied.				✓	✓	✓	✓	
			・Production of therapeutic products may be delayed due to manufacturing efficiency when pandemics occur.			✓	✓	✓	✓		
			・Inappropriate use of antimicrobial agents may lead to an increase in infections caused by AMR (Antimicrobial Resistance) bacteria that are ineffective against existing antimicrobial agents, leading to deterioration of public health and endangering human life.							✓	✓

3.6 Logistics and Transport Sector

Key value chains in logistics

Create: research, development   Buy: capital investment, procurement of ships, vehicles, aircrafts, and fuel   Sell: promotion, sales

Transport: operation (storage, logistics, transportation)   Dispose: disposal, recycle

Key human rights issues in logistics and transport sector			Concrete issues	Value Chain				
				Create	Buy	Sell	Transpo	Dispose
Workplace conditions		Working hours	Logistics and transport industries are a labour-intensive industry. Though it is anticipated that mechanization will be further advanced in the future, laborious work of human beings will still remain. ・ Due to the volume of orders, long-term employment can not be made and employees may be exposed to unstable employment forms. ・ Long working hours and sudden labour at sites and subcontracting companies may occur, especially in busy seasons. ・ Long working hours may occur due to work at late night and early morning to cope with time difference with other countries. ・ Risk of unexpected late-night work, long working hours and working on holidays in the event of a disaster or international conflict, due to the highly public nature of the business. ・ Working remotely may make it difficult to maintain work-life balance ・ From the aspect of having a certain public interest, overwork and long working hours may occur due to the demand for nesting in the Covid-19 and traffic restrictions during the Olympics. ・ The number of employees who work long hours due to lack of control over working hours at the workplace. ・ Long working hours may occur due to staff shortages. ・ Long working hours may occur in the supply chain due to difficulties in ascertaining working conditions outside the company. ・ Long working hours may occur due to long waiting times for trucks at warehouses	✓	✓	✓	✓	✓
		Low wages	・ Low wages maynot meet the living standard for workers and their families. ・ Working hours may get longer due to expansion of mail-order markets, wages per unit of time may decrease. ・ The pandemic affected distribution volume and overal business volume, resulting in failure to obtain stable income. ・ If performance increases under Covid-19, employees may lose motivation because their wages are not commensurate with their efforts and they are not rewarded with special compensation, etc. ・ The risk of lower wages for workers in supply chains other than the company's own. ・ There is a risk that differences in employment status may prevent fairness in wages for the same work. ・ There is a risk of nationality discrimination in careers, e.g. only employees of a certain nationality are given opportunities for promotion. ・ Risk of wages falling due to sluggish demand. ・ Risk of wage decline and loss of employment opportunities due to mechanisation.	✓	✓	✓	✓	✓
		Health and	There are always hazardous operations at logistics and transport sites, such as loading, unloading and transporting heavy goods, using large machinery and vehicles, and working in close proximity to trains, aircraft and ships.In order to maintain safe conditions, daily efforts must be made to keep hazards under control. ・ Risk of occupational accidents at sites where heavy machinery or heavy cargo is handled, such as operating vessels, terminals, aircraft and airports. ・ Risk of health hazards and occupational accidents for employees in unstable working environments such as outdoors or in cold storage warehouses. ・ Ensure worker safety in areas of international conflict, piracy, the Strait of Hormuz and other geopolitical risks [shipping industry]. ・ The risk of secondary damage from industrial accidents in the event of a disaster due to the highly public nature of the business. ・ The risk of mental health problems due to long working hours, accidents and harassment. ・ Risk of health and safety hazards, child labour and forced labour in the company's supply chain (in addition to employees).	✓	✓	✓	✓	✓

Core operation/ Supply chain									
		safety	・The expansion of telecommuting may lead to an increase in health hazards such as mental disorders and lifestyle-related diseases caused by lack of exercise (signs of which are not easily seen by those around). ・Risk of infection and sequelae due to inadequate countermeasures against infectious diseases, including coronavirus, in workplaces where teleworking is difficult. ・The risk of seafarer fatigue due to long periods of time on board due to a lack of smooth crew turnover in the event of a coronavirus outbreak may impede the safety of vessel operations. ・Risk of health hazards due to shortages of perishable foodstuffs after unexpectedly long delays or voyages due to coronal disasters [shipping industry]. ・Possible failure to ensure the health and safety of employees working as essential workers ・Risk of health hazards due to work on holidays and long working hours to compensate for absent employees ・Obstruction of business or violence by customers.	∠	∠	∠	∠	∠
	Discrimination	Employment Environment and Requirement	In anticipation of the shortage of human resources due to the declining population, in recent years, human resources and forms of employment have been diversified such as employment of temporary staff, senior employees, foreign employees, the disabled, full employment of contract employees, and implementation of short work and teleworking. ・The risk of unequal treatment in terms of working conditions, training and promotion (soft aspects) due to diverse employees (nationality, ethnicity, religion, gender, age, disability, sexual identity, etc.) being employed under various forms of employment. ・The lack of a workplace environment (e.g. multipurpose toilets) for diverse employees (e.g. nationality, ethnicity, religion, gender, age, disability, sexual identity, etc.) may lead to violations of human rights (hard aspects). ・The risk of uniform treatment that does not recognise diversity (e.g. SOGI). ・The risk of prejudice and discrimination against employees with coronas and those who have not been vaccinated. ・Employment environment and treatment of senior workers (due to employment extension and retirement age extension systems) (e.g.) problems with senior drivers	∠	∠	∠	∠	∠
	Foreign Workers	Employment Environment and Conditions	(General) ・Risk of unfair treatment in terms of employment and treatment . ・Lack of language and daily life support may isolate foreign workers. (Domestic) ・There is a risk that foreign nationals employed under the technical internship system will be subjected to unfair treatment (forced long working hours, unpaid wages, unfair deductions from salaries, etc.). ・Discrimination in hiring foreign technical interns based on whether or not they have been vaccinated (e.g., forcing them to be vaccinated in the workplace, giving priority to those who have been vaccinated). (Overseas) ・There is a risk of human rights abuses such as child labor and forced labor occurring at business partners in overseas supply chains. ・There is a risk of non-payment of wages for work performed prior to regular employment.	∠	∠	∠	∠	∠
	Customer/ region	Safety	・Risk of causing health hazards and unnecessary stress to a diverse range of passengers due to the characteristics of the space being a closed space, the long detention time and the inability to move seats [Aviation]. ・Risk of causing damage to health and unnecessary stress due to the closed nature of the space, high density and diverse passengers on board. Also, risk of being victimised by sexual crimes, etc. [Railways]. ・Risk of delays in the initial response to medical emergencies due to the closed space. ・Risk of passengers being infected with covid-19.					
		Services	・The risk of loss of opportunities to use public services due to a lack of support for diverse customers (nationality, ethnicity, religion, gender, age, disability status, sexual identity, etc.). ・Possible loss of community quality due to the discontinuation of routes [railways and buses], while local communities are maintained through the continuation of routes [railways and buses].		∠	∠		

Community	Resources	Use of natural resources	·Personal information entrusted to us by our customers/possible leakage of privacy.					
		Information management	·Personal information entrusted to us by our customers/possible leakage of privacy.					
Community	Resources	Use of natural resources	In addition to fossil fuels, diversification of energy sources makes a progress including non-conventional natural gas resources and power generation by natural energy. ・ There may be environmental pollution such as air pollution, water quality deterioration and destruction of habitats at suppliers of fuel oils.[B] ・ Air pollution may be caused by gas discharged from many transportation vehicles passing through the transportation route. [T] · Oil pollution incidents may cause damage to the marine environment and negative impacts on ecosystems. ・ Environmental destruction such as soil contamination, water quality degradation and air pollution may occur due to construction and use of transportation infrastructure such as a factory, distribution center, road, railway, port and airport. ・ The procurement and use of fossil fuels, and an inefficient use of resources may cause climate change and give a negative impact on people's lives.	ㇾ	ㇾ	ㇾ	ㇾ	ㇾ
			· Potential for contributing to sustainable development by efficient use of natural resources (positive impact) · In the procurement stage of ingredients necessary for operations, human rights may be threatened in water and sanitation in the area of procurement. [Aircraft] · The use of SAF fuel (aviation biofuel), which is positioned as a renewable alternative aviation fuel, may result in passengers having to bear the relatively high cost of such fuel. · Measures to reduce emissions of sulfur oxides, nitrogen oxides, etc. by switching fuels or installing scrubbers on ships in operation in accordance with Sox and Nox regulations [Shipping]. · The use of ballast water may affect ecosystem services in the local marine environment and violate the human rights of the local population [shipping industry]. · Disposal of vehicles, vessels and aircraft may cause negative environmental impacts.					
		Use of infrastructure	· Vehicles, ships, and aircrafts operated by companies may cause damage to the roads, harbors and airports where they operate. · Trucks may damage roads in countries around ports for transport to landlocked countries. · Damage to infrastructure in the event of a disaster could disrupt supply chain logistic. · Efforts to promptly recover infrastructure such as roads, tracks, station facilities, logistic centers after disasters, and maintain basic infrastructure for local daily life (positive impact). · Cargo stopped due to dockworkers' strike may affect customers or supply chain. · Lack of drivers, accidents and insufficient maintenance of roads, tracks and ports may affect the supply chain · Decline in the number of users due to falling birthrates and ageing population may make it impossible to maintain routes [railways]. · Risk of changes to the environment of the sea and surrounding areas due to the development of ports to allow large vessels to enter the port.	ㇾ	ㇾ	ㇾ	ㇾ	
	Security		· Exposure to bribery and corruption, including facilitation payments. · The company may be exposed to bribery and corruption, such as facilitation payments, when negotiating with governments and administrations on route development and capital investment. · Risk of companies being complicit in human rights abuses due to policy guidance or state ideology that leads to human rights abuses.		ㇾ	ㇾ	ㇾ	

Digitalisation			・The evolution of technology (AI, IoT, etc.) may lead to privacy/human rights issues and cyber-terrorism, etc., which are currently unforeseen. ・The IT gap may widen (those who can benefit from digitalisation and those who can't). ・The introduction of AI in the transport flow, the elimination of manpower shortages and human errors due to IT, and the possibility of a reduction in the number of employees. ・The risk of not being able to respond appropriately to victims due to unclear responsibility in the event of an accident. ・Lack of personnel capable of responding to emergencies (system) due to reduction of personnel due to digitalisation.					
Others	Illegal dealing, Trafficking	Human trafficking	・ Risk of being involved in the transport of victims of trafficking in persons, organ traffickers, etc. ・ Risk of unintentional transport of stowaways [shipping industry]. ・ Risk of transporting contraband.		✓	✓	✓	
	Access to remedy		・Lack of access to redress in the event of human rights issues in general. ・Likelihood that employees working for secondary and tertiary suppliers will not be able to access redress (e.g. no redress office, no multilingual support, no 24-hour system, no functioning office even if one exists, etc.) ・Possible inaccessibility due to lack of guarantees of psychological safety (choice of anonymity, confidentiality of information, no-retaliation policy, etc.) for those who wish to access it. ・Lack of redress contact points in the supply chain or lack of penetration, which may prevent parties from accessing them. ・Lack of timely provision of adequate remedies for issues that take time to resolve.	✓	✓	✓	✓	✓

3.7 Apparel (clothing)

Creation: Research, development, design, and design **Purchase:** Construction of facilities, procurement (fabrics, sub-materials) **Manufacturing:** Production, manufacturing (sewing)
Transportation: Storage, logistics **Sales:** Sales, marketing, retailing **Use:** Consumption, utilization, maintenance, packaging (wrapping) **Disposal:** Disposal, recycling, waste plastic

Key human rights issues in apparel sector			Concrete issues	Value chain						
				Creation	Purchase	Manufacturing	Transport	Sales	Use	Discard
		Working hours	・There is a risk of long working hours due to (a) a production plan that incorporates overtime work or a situation where the sewing site absorbs delays in the upstream plan, (b) a wage level that does not match the local standard of living, (c) a piece-rate wage system, or (d) factory reasons such as a large volume of defective or reworked products.(workers in their own factories or contracted production) ・Due to inappropriate work management, there is a risk that the legally stipulated days off will not be granted or that overtime limits will not be observed. (own employees or workers at their own factories or production contractors) ・Labor standards violations may be occurring due to lack of understanding of technical intern trainees' actual work conditions (Japan) (Domestic sewing factories or technical trainees from outsourced production) ・Lack of support in the local language for technical trainees, which may result in inadequate support and care in terms of daily life, and the possibility of their lives becoming isolated (Japan) (sewing factories in Japan or technical trainees at outsourced production sites). ・Overtime work, overwork by managers, and overwork by deemed managers (Japan) (Own employees) ・Overwork due to telework (Japan) (Own employees)	✓	✓	✓	✓	✓	✓	
			・Possible occurrence of overtime work due to external factors such as changes in national policy or policy (disputes, lockdowns) (workers at the company's own factories or contracted production sites). ・Possible occurrence of excess labour due to manpower shortage as a result of foreign workers (e.g. from China, South East Asia) engaged in repair and sewing after purchasing goods returning home due to the impact of the situation overseas (e.g. due to Corona) (own employees or workers at contracted production sites).	✓	✓	✓	✓	✓		
		Wages	・The minimum wage (living wage) may not be observed due to pressure from buyers to reduce costs (workers at overseas-owned factories or production contractors). ・In some countries, minimum wages are frequently revised and there is a risk of non-compliance with minimum wages (workers at overseas-owned factories or production contractors). ・The risk that overtime work may not be properly remunerated due to inadequate compliance with laws and regulations or poor work management (own employees, workers at own factories or contracted production sites). ・Risk of not being paid fair remuneration in line with productivity (own employees, workers at own factories or production contractors). ・Problems of equal pay for equal work by regular and irregular workers (own employees, workers at own factories or production contractors). ・The risk that changes in social conditions, such as inflation, may cause real wages to fall and prevent workers from maintaining their standard of living (the company's own employees, workers at the company's own factories or production contractors). ・The status of the wage gap between men and women is not understood, and there is a risk that a gap may exist. The proportion of female officers is low. The reality is that women are not actively promoted. (Own employees, workers at own factories or production contractors)	✓	✓	✓	✓	✓	✓	

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Business / Supply Chain	Treatment in the workplace	Health and Safety								
	Treatment in the workplace		・The risk that health and safety training, including disaster prevention training, first aid training and handling of hazardous chemicals, may not be thoroughly implemented. (Own employees, workers at the company's own plants or contracted production sites). ・The risk of increased safety and health risks to employees due to situations where health and safety training and medical examinations are not carried out properly due to external factors (own employees, workers at own plants or contracted production sites). ・The risk of health hazards due to failure to address health-hazardous working conditions (noise, vibration, lighting, room temperature, ventilation, local exhaust ventilation, etc.) (own employees, workers at own plants or contracted production sites). ・Risk of pregnant or nursing women, young people, etc. being placed in dangerous or hazardous work (company employees, workers at company plants or contracted production sites). ・Risk of workers being exposed to harm due to lack of personal protective equipment (PPE) in dangerous or hazardous workplaces and lack of appropriate education and training (workers at the company's own plants or contracted production sites).	✓	✓	✓	✓	✓	✓
Business / Supply Chain		Health and Safety	・Risk of harm to workers due to lack of inspection of machinery and equipment that are required to be inspected and insufficient protective equipment (own employees, workers at own factories or contracted production sites). ・Risk of harm to workers due to dilapidated buildings, illegal construction, illegal emergency exits, escape routes, etc. (your own employees, workers at your own factory or production contractors). ・The risk of accidents or health hazards due to inadequate storage of chemical substances (your own employees, workers at your factory or contracted production sites). ・Risk of mental health problems (mental health problems), such as anxiety and stress over infection among production workers who cannot telework (Japan) (own employees).	✓	✓	✓	✓	✓	
			・Risk of psychological problems due to privacy breaches, e.g. due to personal data leaks or the introduction of remote work monitoring tools (own employees, workers at own factories or production subcontractors). ・Risk of psychological problems (customer harassment, slander, stalking, etc.) occurring in customer relations and contact points (customer service, social networking responses, etc.). Or, there is a risk that adequate resolution mechanisms have not been established. (Own employees) ・Risk of mental health problems (stress) on both sides due to lack of understanding of national customs and cultural differences (the company's own employees, workers at the company's own factories or production contractors). ・The risk of mental health problems (stress) occurring on both sides due to lack of understanding of national customs and cultural differences (own employees, workers at own factories or contracted production sites).	✓	✓	✓	✓	✓	

Category	Sub-category	Risk description							
	Disciplinary measures	・Risk of unfair disciplinary punishments or treatment due to inappropriate content of work rules (for own employees, workers at own factories or production contractors). ・Risk of non-permanent employees being subjected to unfair contracts without proper explanation (e.g. unfair dismissal) (own company and non-permanent employees in the supply chain).	✓	✓	✓	✓	✓		
Discrimination	When hired At Work Diversity	・Possibility of unequal recruitment and employment with restrictions on nationality, race, religion, gender and age (of own employees, workers at own factories or production contractors). ・Possibility of unequal treatment in terms of working environment, training and promotion opportunities due to gender and age differences (for example, misogyny) (own employees, workers at own factories or contracted production sites). ・Potential for harassment and unequal treatment with disregard for diversity (LGBTQ, SOGI, etc.) (own employees, workers at own factories or contracted production sites). ・Possible discrimination in recruitment due to disability, illness, etc. (own employees, workers at own factories or contracted production sites). ・The risk of invasion of privacy and discrimination in recruitment due to leakage of personal information (own employees, workers at own factories or contracted production sites). ・Risk of human rights violations due to the introduction of an Ai-based evaluation system, etc. (own employees, workers at own factories or production contractors).	✓	✓	✓	✓			
Child Labour	Minimum age	・The risk that child labour under the minimum age may be carried out without identification or on the basis of false identification (workers at the company's own factories or contracted production sites). ・Risk of child labour in the supply chain in developing countries (e.g. subcontracted work), or of child mediation by brokers. (workers at own factories or contracted production sites)	✓	✓	✓	✓	✓		
Forced Labour	Forced overtime Human trafficking	・Risk of being forced to engage in forced overtime work (own employees, workers at own factories or production contractors). ・The risk that the labour contract (employment contract) is not clearly stated in writing and that workers are made to work under working conditions that they have not agreed to (the company's own employees, workers at the company's own factories or production contractors). ・In Japan, there is a risk of serious violations of labour laws and regulations, such as restrictions on the free movement of technical interns due to the deposit of their passports, alien registration cards and residence cards, and forced savings (technical interns at domestic factories). ・In Japan, there is a risk of serious violations of labour laws and regulations, such as restrictions on the free movement of immigrants and refugees (technical interns at domestic factories).	✓	✓	✓	✓	✓		
Freedom of association	Freedom of association and collective bargaining	・Refusal to form a trade union, refusal to bargain collectively without just cause, detrimental treatment of union members or threat of dismissal ・The threat of dismissal on the grounds of strike action. ・There is a risk that labour-management consultations and collective bargaining are not sufficiently institutionalised and managed (i.e. have become a formality). In addition, although the right to collective bargaining is recognised, there is a risk that negotiations are not actually taking place (particularly at overseas production plants).	✓	✓	✓	✓	✓	✓	✓

Community										
	Grievance Mechanism	Effectiveness of reporting channels for employees	・Complaint handling mechanisms are not in place, or are in place but may not be functioning (protection of informants, scope of target groups and details of what can be reported are not sufficiently known, and the reporting desk may become a skeleton). ・The complaint handling mechanism is in place, but the operational checks are not functioning. ・Lack of multilingual support and may not be able to identify offers of human rights violations by vulnerable groups.	✓	✓	✓				
	Freedom of association	Freedom of association and collective bargaining	・The risk of refusing to form a trade union, refusing to bargain collectively without justifiable reasons, or treating union members unfavourably or dismissing them (the company's own employees, workers at the company's own plants or production contractors). ・The union may dismiss workers on the grounds of strike action (its own employees, workers at its own plants or production contractors). ・The risk of insufficient institutionalisation and operation of labour-management consultations and collective bargaining (i.e. it has become a skeleton). Also, although the right to collective bargaining is recognised, there is a risk that negotiations are not actually taking place (especially at overseas production plants) (own employees, workers at own plants or production contractors).	✓	✓					
Community	Resources	Global warming	・The problem of CO2 emissions due to excessive electricity consumption in production plants and sales outlets CO2 emission problems due to irresponsible (unplanned) mass production and mass disposal. ・Possible deterioration of employee health due to heat stroke, etc. (own employees, workers at own factories or contracted production sites). ・Fear of layoffs due to factory closures, etc. as a result of changes in production sites due to climate change) (own employees, workers at own factories or contracted production sites).	✓	✓	✓	✓	✓	✓	✓
		Water stress	・The use of large quantities of water and the pollution of rivers by toxic chemicals in tanneries, dyeing and plating plants, etc., may have a negative impact on the health of nearby residents and on the local environment. (local	✓	✓	✓	✓	✓	✓	✓
			・Large amounts of water used in the production of raw materials (cotton, cattle, natural rubber) leading to water depletion and possible water pollution.(local people)	✓	✓	✓				
		Biodiversity conservation	・Wooden products (paper materials) may have a negative impact on the conservation of forest ecosystems (indigenous people living in forest ecosystems). ・Microplastics generated during washing of synthetic fibre products may lead to marine pollution (all mankind). ・Materials procured through routes with unclear traceability may lead to environmental and soil pollution (organic cotton, wool). (local residents)	✓	✓	✓	✓	✓	✓	✓
		Depletion of natural resources	・Depletion of natural resources with limits, such as oil and gas ・High use of resources may contribute to climate change and extreme weather events.	✓	✓	✓	✓			

Category	Subcategory	Topic	Description	1	2	3	4	5	6	7
		Waste management	・Possible illegal dumping of waste due to leaving waste unattended or not using the right contractors. ・May have a negative impact on the environment by not working to reduce waste. ・Risk of causing environmental pollution by using materials that cannot be returned to nature. ・May use biodegradable plastics even for unnecessary materials, such as combustible materials, thereby rendering recycling non-functional.	ﾚ	ﾚ	ﾚ	ﾚ			
		Indigenous rights	・Threats to the livelihoods of people living in countries where pulp is sourced (e.g. evictions, violence) ・In developing countries where laws and regulations are not yet in place, though there is compliance with local laws, there is a risk of causing local environmental pollution and health hazards to the population. ・The expansion into the interior to reduce costs may threaten the livelihoods of new indigenous peoples.	ﾚ	ﾚ	ﾚ	ﾚ	ﾚ	ﾚ	ﾚ
	Discrimination	Diversity	・Risk of discrimination through inappropriate expressions (e.g. unconscious bias/LGBTQ) in advertisements and other media. ・The existence of the system itself may be endangered due to an excessive negative image of the apprenticeship system (technical interns in domestic factories). ・In advertising and sales activities through SNS, there is a risk of promoting stereotypical gender bias (e.g. use of specific colours for women and men).	ﾚ	ﾚ	ﾚ	ﾚ	ﾚ	ﾚ	ﾚ
Consumers	Relationships with consumers	Health and Safety	・The system of circular economy (e.g. recyclable materials) has not been established due to insufficient efforts to raise consumer awareness of recycling. ・Lack of correct information on sustainable materials may mislead consumers and prevent them from making intended purchases.	ﾚ	ﾚ	ﾚ	ﾚ	ﾚ		
			・Improving the quality of products and their safety and reducing the risks to consumers ・Health hazards due to inclusion of hazardous substances in final products ・Health risks to consumers due to battery failure, wearable devices, fires in the use of new materials, etc.						ﾚ	ﾚ
			・The risk of privacy infringement and discrimination due to personal information leakage, AI, SNS and other technologies. ・There is a risk of inducement by dark patterns on e-commerce sites (e.g. cases where it is difficult to cancel a contract or return a product). ・Risk of algorithms and information provision that encourage consumer misperception and stereotyping through the use of AI, etc. on e-commerce sites (e.g. targeted advertising, etc., which may force recommendations on consumers)	ﾚ	ﾚ	ﾚ	ﾚ	ﾚ		
		Consideration with diversity	・Insufficient consideration of diverse (LGBTQ, nationalities, and religions) consumers						ﾚ	ﾚ