

## Guideline on Corporate Responsibility for Human Rights (CR4HR)

### 1. Management of CR4HR

#### (1) Top Management Leadership

- (i) Has your top management announced its commitment to “human rights” issues in a statement on your website or in your CSR or other corporate reports?
- (ii) Does the statement include reference to the materiality of, and efforts to address, concrete human rights issues – labour, women, people with disabilities, the elderly, value chain, or poverty in the developing world, the United Nations Millennium Development Goals (MDGs) – rather than mentioning “human rights” in a general manner?
- (iii) Does the statement not only indicate interest in human rights issues but also present concrete ideas, policies and efforts of the company, along with the name and signature of the top executive?
- (iv) Does the statement describe future challenges and objectives, as well as corporate efforts undertaken so far, along with the name and signature of the top executive?

#### (2) Human Rights Policy

- (i) Are human rights issues and strategies for addressing them incorporated in your corporate policy and code of conduct?
- (ii) Does the basic policy refer to relevant international agreements, including the Universal Declaration of Human Rights and ILO Core Conventions?
- (iii) Are there objectives (including quantitative targets) or performance indicators in place to ensure implementation of management policy on CSR for human rights?
- (iv) Does the basic policy include explicit reference to concrete human rights issues involved in any businesses operated (or to be operated) by the company? Or, alternatively, a business policy or procedure that reflects the basic policy?

#### (3) Human Rights System and Mechanism

- (i) Is there a specific body or committee dealing with human rights issues at the corporate level, headed by the CEO or a director?
- (ii) Is there a coordinated system in place to promote human rights, for example by including the human rights department in the CSR Committee membership? (Or, if there is no human rights department, is the CSR department in charge of human rights issues?)
- (iii) Do you have objectives or an action plan to implement a human rights policy for the assessment of performance and results?
- (iv) Have you introduced in-house or third-party assessment (human rights impact assessment) on the potential (preliminary assessment) or actual (ex-post assessment) impact (positive and negative) on human rights from business activities undertaken by your company (in both the home and host countries) and your value chain?

#### (4) Value Chain Management

- \* The term “value chain” refers to a “series of procurement and delivery flows related to the products and services of a company.”
- (i) Do you have any procurement, trading or investment standards institutionalizing respect for human rights in an explicit and concrete manner?
  - (ii) Is there disclosure of the boundary of value chain (or supply chain) management?
  - (iii) Are you committed to communicating with the companies in your value chain?  
(a. explanation to business partners,  
b. questionnaire surveys, c. visits)
  - (iv) Do you have an audit system in place for value chain management?

#### (5) Diversity Management

- (i) Have you introduced any policy on diversity (including a policy on workers belonging to specific minority groups)?

- (ii) Do you have any department responsible for diversity management?
- (iii) Do you have any annual targets (qualitative or quantitative) common to minority workers (women, people with disabilities, etc.), rather than specific targets for each minority group?
- (iv) Do you conduct cross-cutting assessment on initiatives for minority workers (women, people with disabilities, etc.), rather than for each minority group (such as on initiatives for workers belonging to specific minority groups using scoring sheets, for example)?

#### **(6) Human Rights Education**

- (i) Are your employees given opportunities to receive human rights education?
- (ii) Do you provide human rights education for directors?
- (iii) Does the head office support human rights education in subsidiaries and group companies?
- (iv) In providing human rights education, do you refer to cases of human rights violation (discrimination) or human rights issues arising in the course of business (discrimination against outcast or "Buraku" people) within your company, subsidiaries or group companies?

#### **(7) Interest and Contribution to International Human Rights Agenda**

- (i) Do you provide information on international human rights issues (such as poverty and MDGs)?
- (ii) Are you involved in information exchange or partnership with the United Nations, its specialized agencies or international/local human rights NGOs?
- (iii) Are you actively involved in human rights issues in host countries?
- (iv) Do you have any system or mechanism allowing workers to engage in human rights issues in Japan or abroad for a long period of time?

#### **(8) Grievance Mechanism**

- (i) Have you put in place an external grievance mechanism accessible to workers (at the head office, subsidiaries and affiliates) and

victims of human rights violation such as harassment, mistreatment in personnel measures, neglect of mental health or discrimination?

- (ii) Is the internal or external grievance mechanism accessible to value chain companies and its workers?
- (iii) Is the consultation counter open to all external persons including consumers and customers?
- (iv) Is information on the availability of the grievance mechanism disclosed inside and outside the company?

#### **(9) Engagement with Stakeholders**

- (i) Do you have any platform for engagement with stakeholders, including interactive dialogue or discussion?
- (ii) Are you engaged with stakeholders at overseas operational sites?
- (iii) Does the engagement take the form of balanced, multi-stakeholder engagement involving not only labour unions, value chain companies and environmental NGOs, but also part-time workers, human rights NGOs and host community residents?
- (iv) Have you been able to feed the advice or proposed improvements provided by engagement into your activities in the following year?

#### **(10) Reporting and Disclosure**

- (i) Do you report on initiatives related to human rights in the CSR activity report?
- (ii) Do you actively disclose negative information on human rights (incidents and deterioration in performance)?  
\*Example: Payment of extra wages (published by the Ministry of Health, Labour and Welfare)
- (iii) Do you report or publish internal or external assessment on human rights?
- (iv) In the report, do you explain to internal and external stakeholders in particular how the priority (materiality) has been determined and what you have done to achieve the targets, regardless of whether or not they have actually been achieved?

## 2. Performance of CR4HR

### (1) Rights of Workers

#### (i) Protection of basic labour rights

- KPI

A) Do you keep track of the unionization rate?

- Performance indicators

B-1) Have you developed a basic policy for the protection of basic labour rights?

B-2) Are basic labour rights, including freedom of association and right to collective bargaining, recognized in subsidiaries (which management is controlled by your company with 50% stake or over) both in Japan and abroad?

B-3) Are you taking measures to realize gender balance at regular labour bargaining forums (labour-management committee, labour consultation body, etc.) established at each operational site in Japan and abroad, including the head office?

B-4) Do you have a forum for exchange of views with the representatives of non-regular workers on the conditions of employment?

#### (ii) Just and favourable working condition

- KPI

A) Do you keep track of the number (intensity and frequency) of industrial accidents, including accidents involving contractors?

- Performance indicators

B-1) Do you ensure the “provision of face-to-face guidance by a physician for employees engaged in over work,” as per the revised Industrial Safety and Health Act (effective 1 April 2006)?

B-2) Do you hold regular consultations with the trade union (or representatives) for the rectification of working hours (including on the establishment of a specialized committee or working group)?

B-3) Are more of the paid holidays used by the workers (including non-regular workers with an employment contract) compared to the previous year? (Select “Yes” if the ratio exceeds 80%, regardless of the change from a year earlier.)

B-4) Do you ensure, through interactive communication on just and favourable working conditions with suppliers and business partners throughout your value chain?

#### (iii) Child and elderly care support

- KPI

A) Do you keep track of the number of workers using the child and elderly care support scheme, and their return to work and retention rate?

- Performance indicators

B-1) Have you obtained certification under the Act on the Advancement of Measures to Support Raising Next-Generation Children?

B-2) Are you committed to communicating with workers who have used, are using, or will use the scheme (including information and consultation to eliminate concerns)?

B-3) Do you organize any specific awareness-raising events (including seminars) to promote understanding among supervisors and colleagues and to facilitate gender-free access to the scheme?

B-4) Has the ratio of male workers using the child and elderly care support scheme increased from the previous year?

#### (iv) Respect for human rights in overseas operations

- KPI

A) Do you keep track of data on the retention of local workers including the turnover ratio and length of service?

- Performance indicators

B-1) Is there any provision in the CSR policy or code of conduct of the head office to take into account cultural aspects and labour conditions in host countries, including through the preparation of local manuals?

B-2) Does the head office provide advice or guidance on improvements required of overseas branches and plants in promoting CSR for human rights, including through the establishment of grievance mechanism for local workers?

B-3) Do head office managers keep track of human rights conditions at operational sites

overseas (including subsidiaries, branches and plants)?

B-4) Has the head office adopted any policy to promote empowerment of host communities and development of local management by providing education and opportunities to local workers for promotion to higher positions including executives?

(v) Elimination of child labour and forced labour

● KPI

A) Do you keep track of the number of companies subject to investigation on the existence or nonexistence of child or forced labour in Japan and host countries overseas, as well as the frequency of such investigation per company (annual, biennial, etc.)?

● Performance indicators

B-1) Have you declared the “elimination of child and forced labour” in your basic policy, action principles or any other document?

B-2) Do you provide education on child labour and forced labour?

B-3) Do you require value chain companies to ensure “elimination of child and forced labour”?

B-4) Are you working with NGOs or expert groups to prevent or solve relevant problems?

(vi) Protection of Personal information on workers

● KPI

A) Do you keep track of the existence (number) or nonexistence of violations of the Guidelines for the Protection of Personal Information on Workers, published by the Ministry of Health, Labour and Welfare?

● Performance indicators

B-1) Have you declared the “protection of personal information on workers” in your basic policy or business code of conduct?

B-2) Do you officially prohibit or restrict the collection of sensitive information (potential cause of social discrimination) on workers?

B-3) Is the person responsible for the “protection of personal information on workers” clearly defined and integrated into the information security management

system, as with the “protection of personal information on customers”?

B-4) Do you respond in good faith to any requests from workers regarding their personal information including disclosure, correction and discontinuation of availability?

**(2) Rights of Minority Workers**

(i) Prohibition of discrimination against minority workers (“Buraku” and indigenous peoples, foreigners, etc.) in employment, promotion and the workplace

● KPI

A) Do you keep track of labour composition (in numbers and ratios) by gender, status (full-time or part-time) and national origin (Japanese or foreign)?

● Performance indicators

B-1) Have you institutionalized the prohibition of discrimination (in recruitment, promotion and the workplace) and harassment, etc., in your recruitment, promotion and human resource policies (such as management policy, human resource policy and code of conduct)?

B-2) Have you established any remedial mechanism, such as a grievance mechanism or hot-line, to receive complaints about discrimination and harassment, including power and sexual harassment?

B-3) Do you conduct any surveys (including questionnaires) to prevent discrimination and harassment, including power and sexual harassment?

B-4) Have you adopted any measures for active employment of “people with difficulties to find work”?

(ii) Women’s rights

● KPI

A) Do you keep track of the composition of managers by gender and the number of female managers by position at the corporate level, including at domestic and overseas subsidiaries?

● Performance indicators

B-1) Have you set any concrete targets on the recruitment of female employees, supported by a plan for the realization of their potential?

B-2) Have you established a specific body or committee to empower women or built any

network for female workers (such as seminars and dialogues)?

B-3) Have you set any concrete targets on the number of female managers, supported by a plan for the realization of their potential?

B-4) Do you have a mentor system available to female employees?

(iii) Rights of people with disabilities

● KPI

A) Do you keep track of the ratio of employees with disabilities at the company-wide level, including at domestic and overseas subsidiaries?

● Performance indicators

B-1) Have you attained the “regulatory employment ratio for people with disabilities”? (Please answer on the basis of employment in Japan.)

B-2) Have you developed a barrier-free environment at the workplace (“hard” environment) and in the working conditions (“soft” environment including job coaches and counselling staff)?

B-3) Have you set any employment targets over and above the regulatory employment ratio at the corporate level, including at subsidiaries and group companies (in Japan only)?

B-4) Do you engage with NGOs and workers with disabilities for improving the workplace (“soft” and “hard”) conditions?

(iv) Elderly peoples' rights

● KPI

A) Do you keep track of the post-retirement reemployment ratio (or number reemployed) at the company-wide level, including at domestic subsidiaries and group companies?

● Performance indicators

B-1) Have you actually reemployed any elderly workers under the reemployment scheme?

B-2) Do you have any arrangements that allow the adjustment of employment patterns to meet the specific needs of individual elderly workers (diversification of working patterns including short-time labour)?

B-3) Are you improving human resource and wage systems based on the findings of surveys on the needs of elderly workers in the reemployment scheme?

B-4) Have you extended the mandatory

retirement age?

(v) Rights of non-regular workers

● KPI

A) Do you keep track of the ratio of non-regular workers covered by social insurance?

● Performance indicators

B-1) Do you publish data on the employment of all non-regular workers (including dispatched workers)?

B-2) Have you changed the status of any non-regular workers to that of full-time workers over the last three years?

B-3) Are you taking any measures to improve the employability of non-regular workers including through vocational training?

B-4) Are you committed to communicating with non-regular workers (including through attitude surveys and consultations)?

### (3) Rights of Consumers and Customers

(i) Initiatives to ensure the rights of consumers and customers

● KPI

A) Do you keep track of the number of complaints received from consumers and customers not only at the head office customer centre but also in the field, for example at local offices and the retail department?

● Performance indicators

B-1) Have you established any corporate policy for personal information protection, supported by a management system to protect personal information on consumers and customers?

B-2) Do you conduct preliminary assessment of the risks (health, safety, etc.) posed by your products and services on consumers and customers, followed by the publication of its findings?

B-3) Are the contents of advertisements checked by the human rights department from the perspective of human rights?

B-4) Do you provide sustainability education for consumers and customers (including consumer education on sustainable consumption behaviour)?

(ii) Communication with consumers and customers

● KPI

A) Do you keep track of follow-ups to the claims identified in (i) A) in a quantifiable manner?

● Performance indicators

B-1) Have you established a system to feed the voice of consumers and customers into the company's business activities through grievance mechanism?

B-2) Do you publish the outcome of grievances and complaints?

B-3) Do you analyze the contents of grievances and complaints and share solutions and future challenges internally with appropriate tools (in-house journal and intranet)?

B-4) Do you provide education or explanation for consumers and customers on the downside of your products and services (even if you have not received any complaints)?

(iii) Initiatives for the benefit of consumers and customers belonging to minority groups (the elderly, people with disabilities, foreigners, etc.)

● KPI

A) Do you keep track of the number of comments and requests from consumers and customers that reflect the needs of minority groups?

● Performance indicators

B-1) Do you provide product designs and services incorporating the needs of consumers and customers who belong to minority groups?

B-2) Do you provide support for consumers and customers belonging to minority groups when they use your products and services?

B-3) Do you respond to inquiries from consumers and customers belonging to minority groups through the use of sign language or multilingual support?

B-4) Do you distinguish the requests and suggestions of consumers and customers belonging to minority groups from other requests and suggestions to provide feedback and incorporate them into business activities including the improvement of your products and services?

#### **(4) Rights of Population Affected by Business Activities**

(i) Human rights conditions of population affected by business activities (necessarily including minority groups such as indigenous people and people with disabilities) in Japan and overseas

● KPI

A) Do you disclose the description and number of lawsuits (including out-of-court settlements and administrative guidance) related to human rights incidents involving your company and people living in the host communities (including in Japan)?

● Performance indicators

B-1) Do you join local organizations promoting social activities in the host communities (including in Japan)?

B-2) In conducting or outsourcing security operations, do you take educational, awareness-raising, monitoring or other measures to prevent human rights abuse and harassment?

B-3) Do you conduct preliminary assessment of the potential human rights impact on host communities before making decisions on investment and business operations?

B-4) Are you committed to active communication with host community residents (including through preliminary briefings on impact assessment, forums for regular dialogue and consultation counters)?

#### **(5) Human Rights Issues in global community**

(i) Philanthropic social action programs: material and financial assistance, support for NGOs and other organizations

● KPI

A) Do you keep track of the total cost (including personnel and other expenses) of philanthropic social action programs?

● Performance indicators

B-1) Do you have any philanthropic social action programs related to human rights?

B-2) Are you implementing the programs in coordination/collaboration with partners including international organizations and NGOs?

B-3) Are you committed to ongoing communication with the people covered by the programs?

B-4) Do the programs provide opportunities for social independence, including job opportunities, to the people concerned?

(ii) Social action programs leveraging goods and services supplied by the core business

● KPI

A) Do you keep track of the total cost (including personnel and other expenses) of social action programs leveraging goods and services supplied by your core business?

- Performance indicators

B-1) Do you have any social action programs on human rights that leverage goods and services supplied by your core business?

B-2) Are you implementing the programs in coordination/collaboration with partners including international organizations and NGOs?

B-3) Are you committed to ongoing communication with the people covered by the programs?

B-4) Do the programs provide opportunities for social independence, including job opportunities, to the people concerned?

(iii) Core business activities to protect human rights

- KPI

A) Do you keep track of the total cost (including personnel and other expenses) of CSR activities for human rights conducted as part of your core business?

- Performance indicators

B-1) Do you conduct any CSR activities for human rights as part of your core business?

B-2) Are you conducting such activities in coordination/collaboration with partners including international organizations and NGOs?

B-3) Are you committed to ongoing communication with the people covered by such activities?

B-4) Do the activities provide opportunities for social independence, including job opportunities, to the people concerned?