Evolving Japan: Status of Sustainability Governance

Nov. 15th, 2016
Our Mission

Our mission is to work with business to create a just and sustainable world. We envision a world in which everyone can lead a prosperous and dignified life within the boundaries of the Earth’s natural resources.
Global Nonprofit Business Network

We are a global nonprofit organization that works with our network of more than 250 member companies to build a just and sustainable world. From our offices in Asia, Europe, and North America, we develop sustainable business strategies and solutions through consulting, research, and cross-sector collaboration.

8 OFFICES
75+ PROJECT LOCATIONS
100+ GLOBAL STAFF
250+ MEMBER COMPANIES
Mission-Driven
Our mission-based approach and nonprofit status result in consulting services focused on innovation, impact, and long-term, positive change.

Industry Focus
Our consulting teams are organized by industry, creating expert teams that are familiar with industry-specific issues and trends.

Diverse Expertise
Our unique mix of staff—with backgrounds in business, civil society, consulting, investment, government, law, and policy—bring innovative and diverse thinking to global sustainability challenges.

Deep Experience
We are experienced and equally comfortable working across the full range of company operations, and we are uniquely placed to connect points across the value chain.

Demonstrated Leadership
We’ve shaped the field of corporate responsibility since 1992. Our more than 20 years of experience dedicated to sustainability brings unparalleled expertise and insight.
Evolving External Environment - Drivers
**International Framework and Standards**

<table>
<thead>
<tr>
<th>Country</th>
<th>GRI* (%)</th>
<th>UNGC (%)</th>
<th>ISO 26000 (%)</th>
<th>OECD Guidelines (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>14.3</td>
<td>72.2</td>
<td>71.4</td>
<td>26.7</td>
</tr>
<tr>
<td>US</td>
<td>49.3</td>
<td>27.7</td>
<td>7.7</td>
<td>5.8</td>
</tr>
<tr>
<td>UK</td>
<td>67.5</td>
<td>37.6</td>
<td>11.8</td>
<td>8.5</td>
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<tr>
<td>Germany</td>
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<td>35.4</td>
<td>9.9</td>
<td>16.2</td>
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<tr>
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<td>87.9</td>
<td>35.2</td>
<td>14.3</td>
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<tr>
<td>China</td>
<td>15.4</td>
<td>10.3</td>
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<tr>
<td>Korea</td>
<td>61.8</td>
<td>42.2</td>
<td>69.7</td>
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<tr>
<td>Average</td>
<td><strong>61.8</strong></td>
<td><strong>36.4</strong></td>
<td><strong>13.3</strong></td>
<td><strong>11.0</strong></td>
</tr>
</tbody>
</table>


Japanese companies are good at following international framework and standards.

Source: Ministry of Economy Trade and Industry (2014)「グローバル企業が直面する企業の社会的責任の課題」
Standards/Laws/Regulations

- UN Guiding Principles on Business and Human Rights (2011)
- The Equator Principles Revision (2013)
- International Integrated Reporting Council (2014)
- UK Modern Slavery Act (2015)
- Paris Agreement (2015)
- Sustainable Development Goals (2015)
Forced displacement for Thilawa Economic Zone in Myanmar

Wildfire industry: Malaysian illegal and destructive logging and Japanese business

Year Month

Protest against Batan coal power plant in Indonesia

Japanese companies’ reporting on sustainability inadequate

NGO reports for Salawak Malaysia illegal forestry

Global Witness

Protest against Batan coal power plant in Indonesia
Climate Change

- Japan ratified Paris Agreement on Nov. 8th, 2016
Sustainable Development Goals

• 17 goals articulate the expectations of the international community for the world’s socio-economic development agenda through 2030.
• Roundtable on SDGs initiated by Japanese governments (MoFA) including academics, private sectors and NPOs to discuss about Japanese collaboration to contribution towards SDGs. (Sept. 2016)