

Implementation Report of Sustainable Procurement Partnership (SPP) Pilot 2024

1. Outline of Business

(1) Background and purpose

The Sustainable Procurement Partnership (hereinafter “SPP”) Concept Study TF is an initiative that is led by the JEITA CSR Committee and its participant companies, and aims to establish a platform to promote sustainability activities across the electrical and electronics industry with the purpose to promote, on an industry-wide basis, sustainable procurement by companies (especially small and medium size companies) in the supply chain of the industry.

The study regarding SPP has started with the thought to raise the response level of the whole industry, leaving no companies behind, by strengthening the engagement of downstream companies (large sized companies) with upstream companies (especially small and medium sized companies) that constitute the supply chain.

In the FY2024, toward the full-scale operation of SPP from FY2025, small-scale pilot implementations (hereinafter “SPP Pilot”) has been conducted. Under the theme of “Business and Human Rights”, the aim of SPP Pilot is to establish and verify the operation process of SPP by establishing output details in the “Formulation of Human Rights Policy” (by the end of March 2025) and providing programs (“Management Study Meeting (*Keieisha Saron*)”, “Education for Working-Level Personnel” and “Assistance for the Formulation of Human Rights Policy”) to accumulate achievements.

SPP is promoted with the support of outside experts such as International Labour Organization (ILO) office for Japan, Japan Federation of Labour and Social Security Attorney’s Associations (JFLSSA) , etc.

(2) Implementing structure, etc.

◇ Organizer (Secretariat)

CSR Committee, Responsible Supply Chain WG, Sustainable Procurement Partnership Concept Study TF
<Member Companies for FY2024>

NEC Corporation (Leader), Panasonic Holdings Corporation (Subleader),
Kyocera Corporation, KOA Corporation, Tanaka Precious Metal Group Co., Ltd, Toshiba Corporation,
Fujitsu Limited, Mitsubishi Electric Corporation, Yokogawa Electric Corporation

◇ Cooperating organizations

ILO (International Labour Organization) office for Japan,
Japan Federation of Labour and Social Security Attorney’s Associations (JFLSSA)

◇ Participating companies

Member companies of JEITA and its business partners (small and medium sized companies): 16 companies

◇ Implementation period

From November 2024 to April 2025

(3) Outline of activities

With the assistance of the International Labour Organization (ILO) office for Japan, Certified Social Insurance and Labor Consultant specialized in Business and Human Rights (“BHR Promoting Sharoshi”), etc., we supported efforts taken by participating companies (small and medium sized companies) to formulate their human rights policy, through dialogues with management-level personnel and engagement with working-level personnel of the participating companies.

From November 2024 to December 2024, we implemented activities to enlighten management-level personnel (“Management Study Meeting”) and also provided education to working-level personnel. From January 2025 to March 2025, we provided support to companies in formulating its human rights policy such as by conducting individual consultations.

(4) Results of activities and future plans

Many of the participating companies achieved the target of SPP Pilot by completing formulation of their human rights policy (13 companies out of 16, as of April 2025), and through such formulation process, they reviewed how to establish their internal system and how future human rights DD should be promoted. Meanwhile, by this SPP Pilot, we obtained study results in regard to the providing capabilities of SPP and how it should be operated by verifying the series of procedure in formulating human rights policy.

In FY2025, we will support companies participating in this SPP Pilot to implement human rights DD and to formulate a grievance mechanism, and also promote the formulation of business plans and prepare systems to launch SPP at full scale.

2. Brief Summary

(1) Management Study Meeting

◇ 【Day 1】 Seminar

To make management-level personnel of participating companies become aware of the importance of “Business and Human Rights”, experts gave lectures from the management’s perspective on topics such as the recent domestic and overseas trends in “Business and Human Rights” and the necessity and merits to engage in efforts to promote human rights.

Ms. Ogawa (Director, Office for Business and Human Rights Policy Coordination, Ministry of Economy, Trade and Industry) gave a lecture on overseas movements requiring companies to respect human rights in accordance with the UN’s “Guiding Principles on Business and Human Rights” (2011) and domestic movements including “Guidelines on Respecting Human Rights in Responsible Supply Chains” (2022) and specific efforts required of companies under the guideline. Ms. Ogawa commented that “it is important to firstly concentrate efforts on formulating and making public your company’s human rights policy in accordance with the Guideline and thereafter implement due diligence throughout your supply chain”.

As the President of Hirano Vinyl Industry Co., Ltd., Mr. Hirano’s lecture was made from the management side, the same side as the participants of this seminar. His lecture included explanation of topics such as being the first Japanese company to execute Positive Impact Finance (PIF) Loan Agreement; background of how his company came to formulate its human rights policy; activities to instill the human rights policy within the company; and specific measures taken in line with the human rights policy (e.g. human rights relief system, monitoring, information sharing, education, etc.). In the lecture, Mr. Hirano commented that “Formulating human rights policy is not the goal but is merely the start line. Human rights must definitely be respected, and by approaching people with love as one does a member of one’s family, your company will develop into a company that achieves co-existence and coprosperity with others, as described in ‘Respect for People (*Ningen Soncho*)’ (by Sazo, Idemitsu, founder of Idemitsu Kosan Co., Ltd.) and ‘Extended Family System (*Daikazoku-shugi*)’ (by Kazuo Inamori).”

We had many feedbacks from the participants, such as “Although I knew that respect of human rights is inevitable in business operation, I was reminded that in the present age, companies are required to put company policies down in writing and convey it to the public”, “There were many things that I heard for the first time. The knowledge I gained on efforts made by the industry and other companies will be very useful in promoting our company’s approach to this topic”.



◇ 【Day 2】 Workshop

In order to have management-level personnel gain knowledge that may be useful in the operation of their company, lectures and a workshop (review and group discussions among participants on risks of human rights using case studies) on the topic of “Business and Human Rights” was held. Certified Social Insurance and Labor Consultant specialized in BHR (“BHR Promoting Sharoshi”) served as facilitators of the group work, and assisted discussions between the participants (BHR Promoting Sharoshi also served as facilitators for other programs introduced hereafter).

We received comments from the participants, such as “I was able to broaden my view by listening to opinions of others. It was especially a valuable experience to be able to hear the opinion of the management-side taking into consideration the workers”, “It was very useful to learn how other companies engage in ‘Business and Human Rights’, and I also learned many things from the Sharoshi (facilitator) at the workshop”, “It was a good opportunity to recognize the importance to address issues regarding foreign workers”.



(2) Training seminar for working-level personnel

◇ Education for working-level personnel (Seminar and online workshop)

This seminar was conducted so that working-level personnel may gain knowledge and raise awareness in the “formulation of human rights policy” that they are obliged to engage in, through lectures on the basic understanding of “Business and Human Rights” and preconditions required in the formulation of human rights policy, as well as group work using case studies.

Feedbacks from the participants, included comments such as “Although I had almost no knowledge about human rights, this seminar provided me a good opportunity to gain knowledge of human rights from a diverse range of perspectives”, “I gained a broader prospect on human rights through the explanation of specific cases such as details of conflict minerals”, “Through the group work, I obtained good experience by learning other companies’ perspective and how they actually deal with such matters”.

◇ Workshop for formulating human rights policy

Lectures on “Points to consider when formulating Human Rights Policy” and “Elements required to be incorporated in Human Rights Policy” were given, and group work (case studies envisioning emergency situations) was conducted to acquire knowledge on contents that should be incorporated into the policy and its formulation process.

Participants commented that “Exchange of open and honest opinions between working-level personnel was very fruitful”, “As I am preoccupied by various work, I realized that resource that can be put into this matter is limited. However, as formulation of human policy is an urgent issue that we must deal with, it is necessary to involve the management and the whole company in this issue”, “The case study taken up at this year’s workshop was again a realistic topic, enabling us to think about it as our own problem”.



(3) Assisting the formulation of human rights policy (Individual consultation)

Individual consultations were held by BHR Promoting Sharoshi. The BHR Promoting Sharoshi, acting as advisors, reviewed drafts of human rights policy of participating companies and provided consultation to troubles pertaining to the formulation of such policy.

According to the situation of each company, advice was given on matters such as points to be incorporated in the policy, points of importance and the contents of each item.

(4) Closing meeting

At the closing meeting, management-level personnel of the participating companies gave presentations on topics such as “Comments on their impressions of their experience in formulating human rights policy and points that took particular difficulty”, “What they learned by participating in this SPP Pilot”, and “Approach that they plan to take after formulating their human rights policy”. They were also given the opportunity to share their experience on efforts made to formulate such policy.

Ms. Kamoshita (International Labour Organization (ILO) office for Japan) gave her view on significant points in the efforts taken by each of the participating companies and points of high importance. Mr. Kiuchi, (Deputy Director, Office for Business and Human Rights Policy Coordination, Ministry of Economy, Trade and Industry) gave his comment, as an overall review of this seminar, stating that “The important point of SPP is that large size companies and their small and medium sized business partners cooperate and work together. Also, I value the point that many companies place emphasis on holding dialogues with its employees and stakeholders (such as business partners) when formulating their human rights policy, and are also planning to make such policy publicly known and conduct human rights due diligence in the future. I hope that companies will not stop its efforts and continue to move forward step by step”.

3. Outcome of Events

(1) Management Study Meeting

◇ 【Day 1】 Seminar

- ◆ Date: November 7, 2024 (Thur.) 15:30 - 17:00
- ◆ Method: Mixed format (mainly face-to-face)
- ◆ Venue: Room E + F of AP Tokyo Marunouchi
- ◆ Number of Participants: 22 people from 16 companies (Off line:13, Online: 9)
- ◆ Main Program:

- Lecture by Experts

“Efforts that are required of companies to respect human rights and its significance”

Ms. Motoko Ogawa, Director, Office for Business and Human Rights Policy Coordination,
Ministry of Economy, Trade and Industry

- Examples of efforts taken by small and medium sized companies

“Efforts taken by small and medium sized companies to respect human rights”

Mr. Toshinao Hirano, President and Representative Director, Hirano Vinyl Industry Co., Ltd.

- Sharing participants' views

◇ 【Day 2】 Workshop

- ◆ Date: November 15, 2024 (Fri.) 15:00 - 17:00
- ◆ Method: Mixed format (mainly face-to-face)
- ◆ Venue: Conference Room, 10F, Japan Federation of Labor and Social Security Attorney's Association
- ◆ Number of Participants: 16 people from 15 companies (Offline: 14, Online: 2)
- ◆ Main Program:
 - Review of the seminar of Day 1
Mr. Taku Kawamura, BHR Promoting Sharoshi
Ms. Mami Kamoshita, Program and Operations Officer, International Labour Organization (ILO) office for Japan
 - Group Work
 - 1) Self-introduction
 - 2) Case study (emergency situations and how to handle it)
 - 3) The future image of your company and efforts regarding human rights

(2) Education for working-level personnel

◇ Seminar

- ◆ Date: December 4, 2024 (Wed.) 13:00 - 16:00
- ◆ Method: Online
- ◆ Number of Participants: 18 people from 16 companies
- ◆ Main Program:
 - Lecture
 - 1) Significance of engaging in the promotion of Business and Human Rights
Mr. Taku Kawamura, BHR Promoting Sharoshi
 - 2) What is Human Rights? Significance of formulating human rights policy and its formulation process
Ms. Mami Kamoshita, Program and Operations Officer, International Labour Organization (ILO) office for Japan
 - Group work
 - 1) Self-introduction
 - 2) Emergency situations and how to handle it
 - 3) Matters that related persons inside and outside the company are interested in

◇ Work shop for formulation of human rights policy

- ◆ Date: December 18, 2024 (Wed.) 13:00 - 16:30
- ◆ Method: Mixed format (mainly face-to-face)
- ◆ Venue : Room D, Otemachi First Square Conference
- ◆ Number of Participants: 19 people of 16 companies (Offline: 10, Online: 9)
- ◆ Main Program:
 - Lecture
 - 1) Key points in formulating human rights policy
Ms. Mami Kamoshita, Program and Operations Officer, International Labour Organization (ILO) office for Japan
 - 2) Elements required to be incorporated in human rights policy
Mr. Ryusuke Tanaka, Specialist in liaison and labor standards, Programme Officer, International Labour Organization (ILO) office for Japan
 - Group Work
 - 1) Emergency situations and how to handle it

- 2) Devise an internal communication flow for emergency situations and consider recurrence prevention measures
- Lecture
 - Method to inform human rights policy inside and outside the company, and further measures to be taken based on the human rights policy
- Sharing participants' views

(3) Assistance in formulating human rights policy (Individual consultations)

- ◆ Period: From February 2025 to March 2025
- ◆ Outline: Individual consultation Total: 28 times (1 hour/1 company x 2 times, in principle)
- ◆ Adviser: BHR Promoting Sharoshi

(4) Closing meeting

- ◆ Date: April 22, 2025 (Tues.) 13:00 - 14:30
- ◆ Method: Online
- ◆ Number of Participants: 35 people from 15 companies
- ◆ Main Program:
 - Presentation given by each participating company, Q&A session
 - Comments:
 - Mr. Kiuchi, Deputy Director, Office for Business and Human Rights Policy Coordination, Ministry of Economy, Trade and Industry
 - Introduction of activities to be conducted in FY2025



Photo: Management Study Meeting 【Day 2】