
Appendix G

Keidanren (Japan Federation of Economic Organizations) Global Environment Charter

BASIC PHILOSOPHY

A company's existence is closely bound up with the global environment as well as with the community it is based in. In carrying on its activities, each company must have respect for human dignity and strive toward a future society where the global environment is protected.

We must aim to construct a society whose members cooperate together on environmental problems, a society where sustainable development on a global scale is possible, where companies enjoy a relationship of mutual trust with local citizens and consumers, and where they vigorously and freely develop their operations while preserving the environment. Each company must aim at being a good global corporate citizen, recognizing that grappling with environmental problems is essential to its own existence and its activities.

GUIDELINES FOR CORPORATE ACTION

Companies must carry on their business activities to contribute to the establishment of a new economic social system for realizing an environmentally protective society leading to the sustainable development.

1. GENERAL MANAGEMENT PRINCIPLES

Companies should always carry on their business activities to contribute to the establishment of a new economic social system for realizing an environmentally protective society leading to the sustainable development.

2. CORPORATE ORGANIZATION

- (a) Companies shall establish an internal system to handle environmental issues by appointing an executive and creating an organization in charge of environmental problems.
- (b) Environmental regulations shall be established for company activities and these shall be observed. Such internal regulations shall include goals for reducing the load on the environment. An internal inspection to determine how well the environmental regulations are being adhered to shall be carried out at least once a year.

3. CONCERN FOR THE ENVIRONMENT

- (a) All company activities, beginning with siting of production facilities, shall be scientifically evaluated for their impact on the environment and necessary counter-measures shall be implemented.
- (b) Care shall be taken in the research, design, and development stages of making a product to lessen the possible burden on the environment at each level of its production, distribution, appropriate use, and disposal.
- (c) Companies shall strictly observe all national and local laws and regulations for environmental protection and, where necessary, they shall set additional standards of their own.
- (d) When procuring materials, including materials for production, companies shall endeavor to purchase those that are superior for conserving resources, preserving the environment, and enhancing recycling.
- (e) Companies shall employ technologies that allow efficient use of energy and preservation of the environment in their production and other activities. Companies shall endeavor to use resources efficiently and reduce waste products through recycling, and shall appropriately deal with pollutants and waste products.

4. TECHNOLOGY DEVELOPMENT

- (a) In order to help solve global environmental problems, companies shall endeavor to develop and supply innovative technologies, products and services that allow conservation of energy, and other resources together with preservation of the environment.

5. TECHNOLOGY TRANSFERS

- (a) Companies shall seek appropriate means for the domestic and overseas transfer of their technologies, know-how, and expertise for dealing with environmental problems and conserving energy and other resources.
- (b) In participating in official development assistance projects, companies shall carefully consider environmental and anti-pollution measures.

6. EMERGENCY MEASURES

- (a) If environmental problems ever occur as a result of an accident in the course of company activities or deficiency in a product, companies shall adequately explain the situation to all concerned parties and take appropriate measures, using their technologies and human and other resources, to minimize the impact on the environment.
- (b) Even when a major disaster or environmental accident occurs outside of a company's responsibility, it shall still actively provide technological and other appropriate assistance.

7. PUBLIC RELATIONS AND EDUCATION

- (a) Companies shall actively publicize information and carry out educational activities concerning their measures for protecting the environment, maintaining the ecosystems, and ensuring health and safety in their activities.
- (b) The employees shall be educated to understand the importance of daily close management to ensure the prevention of pollution and the conservation of energy and other resources.
- (c) Companies shall provide users with information of the appropriate use and disposal, including recycling, of their products.

8. COMMUNITY RELATIONS

- (a) As community members, companies shall actively participate in activities to preserve the community environment and support employees who engage in such activities on their own initiative.
- (b) Companies shall promote dialogue with people in all segments of society over operational issues and problems seeking to achieve mutual understanding and strengthen cooperative relations.

9. OVERSEAS OPERATIONS

- (a) Companies developing operations overseas shall observe the Ten-Points-Environmental Guidelines for the Japanese Enterprises Operating Abroad in Keidanren's Basic Views of the Global Environmental Problems.

10. CONTRIBUTION TO PUBLIC POLICIES

- (a) Companies shall work to provide information gained from their experiences to administrative authorities, international organizations, and other bodies formulating environmental policy, as well as participate in dialogue with such bodies, in order that more rational and effective policies can be formulated.
- (b) Companies shall draw on their experiences to propose rational systems to administrative authorities and international organizations concerning formulation of environmental policies to offer sensible advice to consumers on lifestyles.

11. RESPONSE TO GLOBAL PROBLEMS

- (a) Companies shall cooperate in scientific research on the causes and effects of such problems as global warming and they shall also cooperate in the economic analysis of possible counter-measures.

- (b) Companies shall actively work to implement effective and rational measures to conserve energy and other resources even when such environmental problems have not been fully elucidated by science.
- (c) Companies shall play an active role when the private sector's help is sought to implement international environmental measures, including work to solve the problems of poverty and over-population in developing countries.