



Global Compact
Network Japan

Practical Manual on Human Rights Due Diligence

— Responsible Business Conduct in the Human Rights Field —

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Supply Chain Peer Learning Group
Global Compact Network Japan
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Eleven member companies of the Global Compact Network Japan (GCNJ) united to form the Supply Chain Peer Learning Group (Peer Learning Group) in 2008. Since that time, the number of companies and organizations participating in GCNJ has risen steadily in conjunction with the public's growing interest in the SDGs, and the Peer Learning Group has produced a string of outputs through its activities. In 2017, the Peer Learning Group developed the *CSR Procurement Self-Assessment Toolset*, making available practical tools for use in procurement practices to all companies, individuals, and organizations engaged in economic activities. In addition to other publications, GCNJ's *Building the Sustainable World* series has helped many companies and organizations engage in a wide range of initiative towards achieving the SDGs.

In recent years in particular, globalization of the economy has advanced at a remarkable pace: The materials and parts that make up individual goods and services are now truly multinational. It is undeniable that individuals and the world are now intricately and irrevocably connected through goods and services. At the same time, behind this flourishing affluence are many people who are forced to lead arduous lives. There have been numerous reports of economic activities being a factor in contributing to or exacerbating adverse impacts on human rights. Given these circumstances, social demands for greater consideration of human rights have only become stronger with the globalization of corporate activities. In keeping with international principles, the Japanese Government has been publishing a collection of guidelines concerning human rights, such as the *Guidelines on Respecting Human Rights in Responsible Supply Chains*. These developments now require organizations to construct systematic frameworks that respect human rights through the exercise of human rights due diligence, rather than just responding to human rights issues on an ad hoc basis.

In response to these developments, the Peer Learning Group, which focuses on CSR procurement and sustainable procurement practices, published the First Edition of the *Practical Manual on Human Rights Due Diligence: Responsible Business Conduct in the Human Rights Field* (the Manual) in 2023. The Manual is primarily intended as a guide for Japanese organizations that have not previously engaged in human rights due diligence and have limited internal resources for human rights due diligence, to help them take their first steps. The Manual sets out procedures for organizations and their supply chains to avoid adverse impacts on human rights arising from their business activities or from the products and services they provide. It also specifies procedures to manage the causes of such impacts appropriately and rationally, with the greater view of implementing the UN Global Compact's 10 Principles and realizing a sustainable society.

The Manual has been written to ensure consistency with three international norms on human rights: namely, the United Nations' *Guiding Principles on Business and Human Rights*, the ILO's *Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy*, and the OECD's *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct*. Its preparation also made reference to the OECD *Due Diligence Guidance for Responsible Business Conduct* (OECD Guidance), which contains more detailed due diligence provisions. The scope of corporate social responsibility now encompasses both supply chains and value chains, and the demands on due diligence include not only human rights but also the environment and many other concerns. Consequently, the Manual's chapters and notations have been based on the OECD Guidance, as it covers all aspects of due diligence. Furthermore, since the Manual is based on international standards, we believe the information contained in the Manual will be useful for both Japanese organizations and overseas subsidiaries of Japanese companies in developing human rights due diligence programs.

This Second Edition adds examples to the collection of standard forms in a bid to make the Manual more practical.



It is important to note, however, that uniform, standardized responses are not always the best approach to cope with human rights issues; different judgments may be necessary depending on individual circumstances and timing. It is essential to listen to rights holders (workers, consumers, local residents, and others whose human rights are (negatively) impacted by corporate activities) and maintain an attitude open to sincere dialog with vulnerable parties. Furthermore, organizations must review and revise their response policies as circumstances change. We hope organizations already practicing human rights due diligence will consult the Manual when periodically reviewing their due diligence activities and evaluating their effectiveness.

Finally, initiatives to respect human rights help enhance an organization's corporate value. We hope that by implementing human rights due diligence in line with this manual, organizations will advance their initiatives to respect human rights. In addition, we hope that as these efforts spread throughout entire supply chains and value chains, they will help put the UN Global Compact's 10 Principles into practice. Beyond this, we hope the Manual will play a part in the achievement of the SDGs and the realization of a sustainable society as soon as possible.

About the Manual's Title

We took advice from many people about how to approach the *human rights due diligence* concept contained in the Manual's title. The objective of human rights due diligence is undoubtedly the realization of a sustainable society in which all human rights are protected. In other words, it is necessary to understand human rights in the context of social sustainability. Care should be taken to not treat human rights due diligence, which is a means toward the achievement of this objective, as if it were the objective.

We also chose to use the word "manual" in the title because we wanted a title that would feel more natural to companies. This reflects the fact that many companies conduct risk management based on manuals established for each type of risk.

It goes without saying that the most appropriate human rights initiatives vary according to the circumstances at any given organization. It does not hold that practicing human rights due diligence strictly in accordance with the Manual will always be the best or optimal approach. We only ask that organizations refer to the Manual as they examine and continuously improve the processes that suit their organization. A better understanding can be achieved by reading the Manual while keeping in mind that its objective is to help business practitioners take action toward the realization of a sustainable society.

Organization and Intent of the Manual

The Manual was created as a practical tool for organizations to protect the human rights of everyone involved with the organization through its business activities, as the times and society change. It is intended for use by organizations already practicing human rights due diligence as well as by organizations, such as SMEs, that have not yet engaged in human rights due diligence. We hope that through the processes outlined here, organizations will properly manage the human rights risks in their value chains and, at the same time, aid their sustained growth.

The Manual consists of the text section, which describes the procedures an organization should follow to put human rights due diligence into practice, and the forms section, a collection of the documents and records that are needed for the implementation of human rights due diligence. The Manual has been created under the premise that it will be used irrespective of the organization's industry, business sector, size or maturity, or countries and regions where its activities are based. On the other hand, there are concerns that too broad a scope will lead to abstract and difficult-to-understand descriptions. For this reason, we have included additional explanations and references in the text with the intent of at least partially eliminating such concerns.



How to Use the Manual

The Manual was not created with any specific organization in mind, as it is intended for use by organizations of all sizes in all industries and business sectors. The level of detail and complexity of human rights due diligence processes varies depending on each organization's situation, the products and services that it handles, as well as the countries and regions in which it operates. Consequently, some items may need to be added to the processes depending on the organization's circumstances. Organizations may have different names for their departments and positions. The Manual has been structured so that organizations can complete their own human rights due diligence manuals by replacing the stock organization names and department names with their own.

We have especially strived to make it possible for practitioners not well versed in human rights to identify risks with greater certainty by prioritizing comprehensiveness over efficiency in risk assessments. As a result of this, some procedures contain rather complicated elements. In such cases, we hope each organization will adopt methods suitable to its circumstances and construct its own effective procedures, while consulting other references and guidelines. The same holds not only for risk assessments but also for other processes. If parts of the procedures are confusing, we recommend reviewing the Manual's source material, such as the *Guiding Principles on Business and Human Rights* and creating a manual that adheres to the principles of respecting human rights.



1. Establishing Frameworks for Human Rights Due Diligence

1-1. Human Rights Policy

(1) Establishing a human rights policy

The organization shall establish a human rights policy that conforms with the standards set by internationally recognized human rights principles, such as the United Nations' *Guiding Principles on Business and Human Rights*, the International Labour Organization's *Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy*, and the *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct*. The purpose of the human rights policy is to effectively prevent and mitigate both existing and latent adverse impacts on human rights (human rights risks) arising from the business activities of the organization, the products and services provided by the organization, and the procurement processes run by the organization.

Before formulating a human rights policy, the organization shall examine the human rights risks in its value chain that require priority attention. In addition, when preparing the policy, the organization shall consider advice from internal departments with knowledge on human rights, such as human resources departments and compliance departments, as well as outside experts and institutions, including attorneys and human rights NGOs and NPOs. In cases where the organization requests suppliers to take initiatives on respecting human rights, the human rights policy shall communicate the organization's values on respecting human rights and serve as a basis for explaining the significance of the human rights initiatives.

The human rights policy should be adopted with the approval of the organization's Board of Directors.

When establishing a human rights policy, it is not necessary to seek the perfect policy from the outset. It is more important to continuously review the policy, incorporating experience gained from the organization's initiatives on respecting human rights and feedback gained through dialog with rights holders, to develop a more effective policy.

The human rights policy should include the following.

- The organization's approach to respecting human rights
- Human rights risks in value chains that should be prioritized in initiatives [related to Chapter 2]
- Expectations regarding respect for human rights among people directly connected to the organization, including employees, business partners, and users of its businesses, products, and services
- Declaration of support for international norms, international standards, as well as laws and regulations related to human rights [related to Section 2-3 (1)]
- Commitment to continuous improvements through human rights due diligence
- Scope of the policy
- Relationship of the policy to the organization's philosophy (the organization's values since its founding) and other internal rules
- Dialog and consultations with stakeholders

Related references

Notation explanation

UNGP RF: *UN Guiding Principles Reporting Framework*

OECD Guidance: *OECD Due Diligence Guidance for Responsible Business Conduct*

Numbers and symbols represent the respective stipulated clauses or item numbers.

UNGP-RF
A1
A1.1
A1.2

OECD Guidance
1.1 a
1.1 b



- Corrective process (remedial procedures) in the case of a human rights violation

Reference 1 — Signing of the human rights policy

An organization's human rights policy shall be issued after being approved by the organization's Board of Directors and signed by a senior executive. The senior executive does not necessarily need to be the organization's president. Depending on the structure of the organization, there may be cases where the Group representative, the chairperson, the director in charge of human rights, or other senior executive may serve as the senior executive overseeing human rights due diligence.

(2) Disseminating and entrenching the human rights policy

The organization shall incorporate the human rights policy into other business-related policies and internal organization operations. In addition, the human rights policy should be communicated to all people working for the organization, and efforts should be made to ensure that the policy is firmly entrenched within all parts of the organization through the holding of regular training sessions and other measures to maintain awareness.

Reference 2 — What constitutes other business-related policies

When an organization is a private company, business-related policies refer to the business division policies and departmental policies established under topline corporate policies, as well as design policies, service policies, and similar policies that apply to products and services.

Reference 3 — People working for the organization

People working for the organization refers to full-time employees, contract employees, temporary employees, part-time employees, casual workers, and others who engage in jobs and work directly related to the organization's business activities. The term also includes people who are only temporarily involved in the organization's business activities, such as equipment maintenance and service personnel or waste collectors.

(3) Publication of the human rights policy

The established human rights policy should be posted on the organization's official website and included in company brochures so that it is easily accessed by people both within and outside the company. In addition, the human rights policy should be posted in places where it can be seen by everyone working on the organization's premises. If the organization employs people who use other languages, the policy should also be posted in the appropriate local language(s).

(4) Reviews of the human rights policy

The human rights policy should be reviewed when situations such as those below occur and should be revised as necessary.

- Changes in social conditions
- Changes in trading partners
- Changes in products and services handled
- Launching new businesses, or adding or changing existing businesses
- Changes in the organization's internal circumstances

Related references

UNGP-RF
A1.3

OECD Guidance
1.1 b
1.1 d

UNGP-RF
A1.3

OECD Guidance
1.1 c

OECD Guidance
1.1 a
1.1 e



- Additions or changes to international norms, international standards, or laws and regulations related to human rights
- Results of management reviews concerning human rights due diligence

Related references

Reference 4 — Sample human rights policy

_____ Co., Ltd. Human Rights Policy

Preamble

_____ Co., Ltd. (the Organization) agrees with the purport of [*specific international norm*] and respects and protects human rights. In addition, the Organization understands that the human rights described herein represent only the bare minimum of human rights ...

This Policy provides specific descriptions of the Organization's approach to respecting human rights, based on the [*the Organization's code of conduct*].

This Policy applies to the Organization's officers and employees. At the same time, the Organization will proactively encourage trading partners, business partners, and customers to understand this Policy and to respect human rights.

Respect for human rights

The Organization respects the dignity and rights of all people and obeys all laws and international norms concerning human rights. In addition, the Organization does not condone discrimination of any kind, regardless of the reason, including that which is based on race, gender, nationality, religion, ... , and strives to not be complicit in the same.

Exercise of due diligence and continuous improvement

The Organization endeavors to appropriately manage risks relating to human rights and to practice continuous improvement, through the implementation of the human rights due diligence mechanisms established by the Organization.

Responses to human rights issues

In the event that the Organization's business activities have an adverse impact on human rights, the Organization will endeavor to remedy the damages with the use of expert knowledge from both inside and outside the organization, in accordance with our human rights due diligence system mechanisms. The Organization will also implement corrective measures to prevent similar damages from occurring in the future.



1-2. Incorporating Human Rights Due Diligence into Business Processes

(1) Clarification of roles, responsibilities, and authorities

The organization, in order to implement human rights due diligence (namely, in order to implement the human rights policy and to ensure an appropriate response to human rights risks), shall identify the human rights risks related to all aspects of its business including its operations, the products and services it handles, and the parts and materials it procures. The organization shall assign responsibilities and authorities in order to manage these human rights risks reliably and effectively and shall define the details of these roles.

Reference 5 — Division of duties

In general, the division of duties related to human rights should be documented in such a way that defines the roles that employees undertake and the scope of their responsibilities. If duties relating to human rights can be added to existing documented division of duties, then human rights roles, responsibilities, and authorities may be addressed within existing systems.

Reference 6 — Officer in charge of human rights issues

At larger organizations, it is useful, from the standpoint of effective decision-making, to appoint a dedicated officer who is given authority and responsibility at the Board of Directors' level for the operation and monitoring of human rights due diligence. The officer in charge should be appointed from among senior executives. (For example, the chief human resources officer who chairs the human rights committee, or the chief procurement officer who chairs the procurement committee if procurement departments take the lead on human rights due diligence.)

The main role of the officer in charge is to ensure human rights due diligence operations are carried out properly and to report on human rights due diligence operations to upper management.

In smaller organizations where control over human rights due diligence is easier to maintain, or in organizations with limited human resources, it is not necessary to appoint a dedicated officer responsible for human rights.

(2) Approvals associated with risks and decision-making and documentation of information

Important decisions concerning human rights risks or human rights due diligence at the departmental or other levels shall be approved either by the officer in charge or by a manager who is familiar with the matter and has authority over the respective decision. Details of important decisions shall be documented in writing to the extent possible, referencing the relevant documents in this Human Rights Due Diligence Manual (including the collection of forms). Furthermore, information related to important decisions shall be shared among all relevant parties.

Related references

UNGP-RF
A2
A2.1

OECD Guidance
1.2 a
1.2 b
3.1 a

UNGP-RF
A2.2

OECD Guidance
1.2 c
1.2 d



Examples of items requiring approval

Procedures for implementing human rights due diligence	Related organization documents	Relevant documents in the Human Rights Due Diligence Manual (including the collection of forms)
Basic human rights approaches and policies	Human Rights Policy	Section 1-1 (1) Reference 4 — Sample human rights policy
Roles, authorities, and responsibilities regarding human rights operations	Human resources bulletins, organizational chart, division of duties	Section 1-2 (1)
Human rights-related matters that should be considered in supply chains	Procurement guidelines	Section 1-3 (1)
Status of human rights risks at suppliers	Preliminary Evaluation of New Transaction	Section 1-3 (3), Form 2
Scoping results and the processes that determined the results	Scoping Sheet (General Outline Diagram) Scoping Result Records	Section 2-1 (2), Form 3, Form 4
Social demands related to human rights closely associated with the organization and the status of responses	List of Social Demands Related to Human Rights and Response Status Checklist	Section 2-3, Form 5
High-priority human rights risks in value chains and processes that determine the priorities	Human Rights Risk List Human Rights Risk Assessment Chart	Section 2-5, Form 7 Section 2-4 (5), Form 6
Measures against adverse human rights impacts that have occurred during the course of business activities	Correction Plan for Adverse Impacts on Human Rights Confirmation of Correction of Adverse Impacts on Human Rights	Section 3-1 (2), Form 9, Form 10
Preventive measures against adverse human rights impacts that may occur during the course of business activities	Human Rights Risks Prevention Plan	Section 3-2 (1), Form 11
Methodology and conclusions of second-party audits of human rights due diligence operations	Human Rights Audit Plan / Results Report Human Rights Audit Implementation Plan Human Rights Audit Improvement Instructions	Section 4-3 (2), Form 12, Form 13 Section 4-3 (3), Form 12, Form 13, Form 14
Conclusions from assessments conducted by upper management on the compliance and effectiveness of human rights due diligence operations	Human Rights Due Diligence Management Review Records	Section 4-4 (4), Form 17

Related references



The following considerations are to be followed in the creation and management of documents.

- Appropriate identifications and descriptions (for example, the inclusion of a title, date, creator, and reference number)
- Appropriate format (for example, language, software version, and charts and tables) and medium (for example, paper or electronic media)
- Reviews and approvals concerning the appropriateness and validity of documents

The organization shall ensure that documents can be accessed reliably and quickly by those who need the information.

In addition, the organization shall pay due attention to the following matters when managing information to prevent security breaches and their adverse impacts.

- Documents can be easily searched.
- Measures are taken as needed to prevent security breaches. For example, access restrictions and password locks are placed on electronic media and paper media are safeguarded in locked document files or lockers.
- Documents are marked to indicate which are the latest or current version, and archiving or destruction measures are taken for older versions in order to prevent their misuse.
- Revision history and version management is in place.
- Shredders are used when disposing of highly confidential documents, such as those containing personal information. Electronic media are initialized or otherwise erased either by the organization or by outsourcing to a specialist disposal firm.

(3) Committee

The organization's upper management shall establish a committee comprising the officer in charge and related departments (or related officials) in order to ensure that certain departments are not overly burdened with human rights policy initiatives, as well as to enable cross-functional collaborations among all concerned departments. Moreover, the organization shall ensure that the opinions and ideas of vulnerable people and minorities among general and temporary employees are taken into account at the committee, by such means as including worker representatives on the committee.

The committee shall perform the following matters.

- Share information on risks relating to human rights
- Deliberate on scoping results and human rights risk assessments
- Determine and review materiality in relation to human rights
- Deliberate on the resources and budgets required for the performance of human rights due diligence
- Formulate risk management plans and monitor their progress
- Make changes relating to human rights due diligence processes
- Share information on complaints and issues concerning human rights, such as human rights infringements

Related references

UNGP-RF
A2
A2.2

OECD Guidance
1.2 e



- Share information on changes to human rights-related laws, regulations, and guidelines
- Deliberate on the requirements for stakeholders, including guidelines on human rights
- Deliberate on the continuation of transactions with suppliers that have adversely impacted human rights
- Deliberate on support measures for suppliers that are necessary for human rights due diligence
- Deliberate on plans and share information relating to non-conformities, correction of adverse impacts, and prevention
- Matters pertaining to the disclosure of information on human rights due diligence
- Other important matters related to human rights

The organization shall disclose information on its organizational framework for the promotion of human rights due diligence in locations, such as its official website, where the information can be accessed by anyone.

Reference 7 — Cases where a committee is not established

The committee functions to support managerial decision-making and supervision. At smaller organizations where these functions can be appropriately managed within operational processes, it is not necessary to establish a committee. On the other hand, larger organizations may need to individually manage multiple types of risks other than human rights risks, including environmental risks and occupational health and safety risks. In such cases, integrating the management of these risks is beneficial in terms of business efficiency. If there are different departments in charge however, conflicts of interest may make such integration difficult. For organizations where this situation holds, human rights issues should be addressed by a sustainability committee or other committee positioned closer to upper management and be considered for inclusion in management strategy.

Reference 8 — Participation of worker representatives in the committee

If the organization has a trade union, it is desirable for the head of the trade union committee or person in an equivalent position to be appointed to the committee. If the organization does not have a trade union, it is desirable for a person representing workers to be appointed as a committee member.

If the committee mainly includes officials or people in management positions, the committee may not duly account for the opinions and ideas of vulnerable people, such as general or temporary employees, and minorities. Furthermore, in view of having more effective discussions, it is desirable to include a representative cross-section of genders, ages, regions, and nationalities on the committee.

(4) Employee training and fostering awareness

Upper management, in order to reduce adverse human rights impacts and risks for all individuals working for the organization, shall plan and conduct training for all related people so they are made aware of the following matters.

- Understanding of the human rights policy [related to Section 1-1 (2)]
- Basic education on human rights
- The impact of their operations on human rights
- The existing or latent human rights risks in their operations

Related references

UNGP-RF
A2.3

OECD Guidance
1.2 f
1.2 g



- The business advantages gained by mitigating impacts on human rights
- The business disadvantages should adverse impacts arise due to deviations from human rights due diligence

Upper management shall assess exemplary initiatives in human rights due diligence, in order to promote the human rights policy and achieve targets relating to human rights as well as to foster a conducive internal workplace, atmosphere, and organizational culture.

Reference 9 — Incentives

Potential methods to add substance to the assessments of individual or departmental initiatives in human rights due diligence include making the assessments part of the criteria for personnel evaluations or giving internal organizational awards to exemplary initiatives.

It is important that such methods both encourage self-awareness among employees and raise awareness.

Related references

(5) Consultation help desks and remedy processes

The organization, in reference to the *Engagement and Remedy Guidelines for the Promotion of Responsible Business Conduct and Responsible Supply Chains* and in accordance with the United Nations' *Guiding Principles on Business and Human Rights*, shall establish consultation help desks to accept complaints and consultations concerning human rights. [related to Section 6-2] At the same time, the organization shall establish procedures for the correct and prompt acceptance of complaints and opinions from all stakeholders, including employees. The procedures should include stipulations on protecting the rights of individuals who provide information.

OECD Guidance
1.2 h

(6) Responses to violations and deviations

The organization shall take the following responses as necessary to deal with violations or significant deviations from the human rights policy, human rights laws and regulations, compliance obligations, and other agreements related to human rights due diligence. [related to Chapter 6]

OECD Guidance
1.2 i

- Determination of the actual situation
- Disciplinary actions against the individuals involved
- Education and training for the individuals involved

(7) Preparation of other resources

Upper management shall determine and provide the resources necessary for the proper implementation of matters specified in the human rights policy and human rights due diligence. These resources include tangible items, such as facilities, equipment, and devices, as well as intangibles, such as systems, procedures, and layouts.

In addition, upper management shall pay the utmost consideration to the organization's atmosphere, culture, values, and similar aspects, and shall strive to provide workplaces and spaces in which everyone can work vibrantly and with a sense of purpose.



1-3. Incorporating Human Rights Due Diligence into Procurement Processes

(1) Formulation and promotion of procurement guidelines

The organization, in the implementation of its human rights policy, shall formulate guidelines that clearly state the human rights initiatives to be conducted in the supply chain, including stipulations on responding to human rights issues, as well as the expectations on suppliers.

The guidelines shall be formulated with advice from CSR departments and procurement departments.

The guidelines shall be approved by the officer in charge following deliberations by the committee. (Example of a committee: a human rights committee; Example of an officer in charge: the human rights officer who chairs the human rights committee. If the organization's procurement departments oversee human rights in supply chains, examples include a procurement committee and the procurement officer who chairs the procurement committee.)

The organization shall publish the full text of the guidelines on its official website and institute a system whereby anyone can view the guidelines. At the same time, the organization shall ensure its human rights policy and guidelines are properly communicated to suppliers through briefing sessions intended to raise awareness of human rights.

The same applies when guidelines are revised. The organization shall ensure the revised sections are properly communicated via its website and through briefing sessions.

(2) Agreement to abide by human rights initiatives

In order to ensure the matters in (1) above are actually implemented, the organization shall require its suppliers to consent to its human rights policy and guidelines.

In the case that there is no option but to maintain an ongoing trading relationship with a supplier that is having difficulties complying with the guidelines for some reason, that supplier shall be prioritized for scrutiny under human rights due diligence. [related to Section 2-5]

Reference 10 — Consent to the human rights policy and guidelines

Methods for obtaining consent from suppliers include incorporating sustainability-related stipulations into transaction agreements or exchanging written forms consenting to the procurement guidelines. When entering agreements or exchanging forms, it is desirable to keep a record of what was explained to whom (which supplier) and when.

[Reference: Form 1 — Agreement Form]

(3) Preliminary evaluations when starting a new transaction relationship

When the organization is entering a new transaction agreement with a new supplier, it shall conduct a risk assessment beforehand to ascertain where risks lie (parts, materials, supplies, procurement areas, processes, etc.) and what kind of risks (human rights, labor, environment, governance, etc.) are present and to what extent. Additional measures shall be taken as necessary. When conducting such risk assessments, it may be useful to

Related
references
UNGP-RF
A2.4

OECD Guidance
1.3 a

OECD Guidance
1.3 b
1.3 e



consult Reference 14 — Reference information for scoping in Section 2-1 (2).
[Reference: Form 2 — Preliminary Evaluation of New Transaction]

(4) Establishment of the foundations for human rights due diligence in supply chains

The organization shall provide the support required for suppliers to maintain sufficient processes so that they can conduct transactions in line with the guidelines.

This support includes assistance, such as education, training, and guidance, intended to improve the skill levels of human resources at suppliers. Support can also be material, such as the lending of devices and equipment, and in the form of financial subsidies.

Reference 11 — Formulation of a procurement policy

In order to inform suppliers of the organization's human rights and environmental policies and initiatives and to have them implement and/or cooperate with these policies and initiatives in the procurement activities, it is effective to formulate a procurement policy that clearly specifies expectations on suppliers.

Reference 12 — Examples of matters to be included in procurement guidelines

Note: These examples include matters not related to human rights.

1. Compliance

- (1) Adherence to laws, regulations, and social norms
- (2) Adherence to the organization's internal rules
- (3) Adherence to competition laws
- (4) Prevention of corruption
- (5) Security export controls
- (6) Protection of intellectual property rights
- (7) Elimination of antisocial forces

2. Human rights and labor

- (1) Respect for human rights
- (2) Prohibition of harassment
- (3) Prohibition of discrimination
- (4) Prohibition of forced labor
- (5) Prohibition of child labor
- (6) Dialog and engagement with employees
- (7) Thorough occupational health and safety / wellbeing management
- (8) Provision of healthy and positive work environments

3. Environment

- (1) Provision of products and services in ways that conserve the global environment
- (2) Consideration for the environment throughout product lifecycles
- (3) Continuous improvements
- (4) Proper management of environmentally hazardous substances
- (5) Initiatives to protect biodiversity

4. Contributions to society

- (1) Contributions to society and local communities

5. Pursuit of satisfaction with products

- (1) Pursuit of quality and safety improvements
- (2) Proper responses to customer concerns

6. Information security

- (1) Proper management of confidential information and personal information
- (2) Protection of information

Related references

OECD Guidance
1.3 d



2. Risk Assessments

2-1. Scoping

(1) Fundamentals

The organization shall, for the rational and effective management of human rights risks, identify business areas with high risk potentials by drawing a general outline diagram of its businesses and business relationships, including its supply chains.

The general outline diagram should identify human rights risks (both risks that are already being faced and risks that may be faced (latent risks)) and their relationships to the organization's business (the organization's activities and operations, the products and services provided by the organization, the items procured by the organization, and the organization's suppliers).

When identifying business areas, the organization shall take points (1) through (3) below into consideration throughout the entire process, from the extraction or collection of materials and raw materials (in both upstream and downstream processes) through to product use and disposal. For business partners that have more distant connections to the organization, the organization should consider building evaluation processes, either independently or collaboratively, during future risk assessment phases. This may involve the use of industry associations or widely used platform services.

(1) The organization's businesses, activities, and operations

- The landscape and conditions surrounding businesses
- The details and characteristics of activities and operations
- Laws, regulations, and guidelines applicable to activities and operations
- History of complaints and litigation
- Where the organization's bases of activities are located

(2) Products and services provided by the organization

- Examples of accidents and litigation relating to products and services
- Complicity in human rights violations or conflicts

(3) Items procured by the organization and its suppliers (procurement sources)

- Countries and areas from which items (such as materials or parts) are procured
- Countries and areas in which procured items are processed
- Procedures by which procured items are processed (such as, does the processing of procured items involve hazardous work operations?)
- The business details and business domains of suppliers (such as, are they manufacturers or trading companies?)
- Location of suppliers (such as, are they in conflict areas or areas where discrimination is a concern?)
- Results of audits and assessments conducted by examination or assessment bodies

Related references

UNGP-RF

- B1
- B2
- B3
- B4

OECD Guidance

- 2.1 a
- 2.1 d



(2) Implementation of scoping

All business areas are subject to scoping. During scoping, a representative of the respective business or a person familiar with the business should be included in the discussions.

The scoping results shall be approved by the officer in charge after deliberations by the committee.

The organization shall obtain information necessary to identify business areas through the use of reports from governments, international organizations, civil society organizations, worker representatives and trade unions, domestic human rights institutions, media outlets, and other experts, and, when needed, through consultations with stakeholders and experts from within and outside the organization.

Information used to identify business areas (including data forming the rationale of identifications and the reasons for the identification) shall be recorded and retained.

[References: Form 3 — Scoping Sheet, Form 4 — Scoping Result Records]

Reference 13 — Cases where scoping is not required

Smaller organizations, or organizations with a limited business scope, may not need to carry out scoping. If scoping is not performed, human rights due diligence shall be conducted covering the organization's entire business scope.

Reference 14 — Reference information for scoping

In order to ascertain latent human rights risks in value chains, information is required on human rights issues in each country and region. The websites below are useful references for obtaining trustworthy information on human rights issues.

- (1) Corruption Perceptions Index (CPI)
<https://www.transparency.org/en/cpi/2024>
- (2) US International Labor Affairs Bureau (ILAB): List of Goods Produced by Child Labor or Forced Labor (Report on Child Labor and Force Labor)
<https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>

(3) Maintaining the appropriateness of scoping results and adjusting for changing business conditions

The organization shall regularly review (at least once a year) the appropriateness and validity of its scoping results, in order to accurately manage latent human rights risks in its business activities.

In addition, scoping should be conducted as necessary when the organization's business conditions change, such as changes to its policies, mergers or restructurings of businesses or the organization, or entry into a new market, or when there are changes or additions to its products and services or changes to its suppliers or their circumstances.

Related references

OECD Guidance
2.1 b
2.1 c
2.1 e

OECD Guidance
2.1 f
2.1 g



Reference 15 — Examples of events that impact scoping

- (1) Social changes
 - Demographic trends (lower birthrates and aging populations)
 - Foreign exchange fluctuations
 - Climate change
 - Wars and regional conflicts
 - Economic growth
 - Technological advances
 - Establishment and amendments of laws and regulations
- (2) Changes within the organization's business areas
 - Business performance
 - Bankruptcies or dissolutions of trading partners
 - Number of employees
 - Employee diversification
 - Diversification of customers and users
 - Changes in customer and user preferences and outlooks
 - Equipment aging or obsolescence

(4) Preliminary evaluations of changes in business conditions

The organization shall conduct risk assessments in advance, to the extent reasonably practical, in the following situations.

- Merger of a business or organization
- Restructuring of a business or organization
- Entry into a new market
- Development of new products or new services

2-2. Understanding the Organization and Its Circumstances

The organization shall understand the situations and circumstances surrounding its business areas identified in scoping. In other words, the organization shall determine the social changes that have impacted these businesses (or which are likely to cause an impact), as well as the details and extent of changes within each business area, including the relevant supply chains and value chains.

Related references

OECD Guidance
2.2 a



2-3. Clarifying Human Rights Risks Closely Related to the Organization

Related references

- (1) Identification of social demands related to human rights risks closely related to the organization

The organization shall identify legal requirements and other social demands closely related to the organization's business, the products and services it provides, and the related procurement items and suppliers, based on international human rights guidelines and standards.

- Laws, regulations, and ordinances
- Government requirements and requirements of other bodies
- International guidelines and standards
- Orders, rules, or guidelines issued by regulatory authorities
- Industry body guidelines and standards
- Guidelines, standards, and the code of conduct prescribed by the organization
- Voluntary commitments
- Judgments from courts or administrative tribunals
- Agreements with community groups or non-governmental organizations (NGOs)
- Agreements with public bodies and customers
- Requirements from trading partners

Reference 16 — Examples of international guidelines and standards

Universal Declaration of Human Rights
 Guiding Principles on Business and Human Rights
 International Covenants on Human Rights (International Covenant on Civil and Political Rights and International Covenant on Economic, Social and Cultural Rights)
 Convention on the Prevention and Punishment of the Crime of Genocide
 Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment
 International Convention on the Elimination of All Forms of Racial Discrimination
 Convention on the Elimination of All Forms of Discrimination Against Women
 Convention on the Rights of the Child
 Convention on the Rights of Persons with Disabilities
 United Nations Declaration on the Rights of Indigenous Peoples
 Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities
 United Nations Convention Against Transnational Organized Crime
 ILO Declaration on Fundamental Principles and Rights at Work
 ILO MNE Declaration
 ILO Core Labor Standards

Reference 17 — Distinction between legal compliance and initiatives to respect human rights

There are laws, regulations, ordinances, and other statutes that represent the minimum level of compliance obligations that must be observed. On the other hand, although there are no direct penalties for failing to comply with international standards, industry policies, and social norms such as local customs, organizations are required to comply with these proactively as part of their corporate social responsibilities.



- (2) Clarification of the relationship between social demands for human rights and the organization's business activities, products, and services

The organization shall clarify which aspects of its business activities, products, and services correspond to social demands with respect to the human rights risks identified in (1) above, and specify relevant responses for each aspect. One approach is to create a list of social demands and the corresponding business details to visualize and clarify the relevant departments and officials within the organization as well as the responses. When it comes to human rights, note that even if not explicitly stipulated in laws and regulations, or even if the organization did not previously recognize it as a risk closely related to the organization, some form of response may still be required should rights holders feel their rights have been infringed upon.

[Reference: Form 5 — List of Social Demands Related to Human Rights and Response Status Checklist]

- (3) Response to conflicting requirements

In the event of contradictions existing in the details of laws, regulations, and norms due to differences in countries and regions, the organization shall refer to internationally recognized principles on human rights such as the *Guiding Principles on Business and Human Rights*, the *Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy*, and the *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct*.

2-4. Preparing and Conducting Risk Assessments

- (1) Fundamentals

The organization, in relation to the activities it performs in the business areas identified through scoping (Section 2-1), the products and services it provides, as well as the related procurement items and suppliers, shall assess the risks should it deviate from its human rights policy (Section 1-1), its procurement guidelines (Section 1-3), and social demands (Section 2-3 (1)) from the perspective of the characteristics (severity) of the risks and the potential of their occurrence.

In addition, the organization shall target in its risk assessments possible business mergers and restructuring, entry into new markets, and development of new products and new services.

Related references

OECD Guidance
2.2 b
2.2 d
2.2 f



Reference 18 — Examples of criteria for the selection of assessment targets

- (1) The organization's activities or operations
Level of hazards in work operations, diversity of employees, number of employees, laws and regulations applicable to operations, number of harassment incidents
- (2) Products and services provided by the organization
Level of hazards related to products, diversity of users, history of accidents and problems
- (3) Items procured by the organization
Country / region of origin of raw materials, method of mining or extracting raw materials, laws and regulations applicable to procured items
- (4) The organization's suppliers
Size of suppliers, level of hazards related to their businesses and operations, details of the products they handle, quantity and value of transactions, history of litigation and problems, status of human rights due diligence initiatives

[related to Section 2-4 (3)]

Related references

(2) Collection of information required for assessments

At the outset of risk assessments, the organization shall collect the information required for the assessments, including information on damages to human rights that are actually occurring within the business areas identified during scoping, as well any other relevant information.

The organization shall work with stakeholders, trade unions, or worker representatives, and other parties that are suffering, or may potentially suffer, damages to human rights and examine ways to collect the required information. At the outset of collecting information, if direct contact with these parties is impossible or difficult, or is expected to be difficult, for reasons such as the stakeholders who have sustained damages being located far away, the organization shall consult with trustworthy organizations with field-specific knowledge, such as labor unions or human rights NPOs.

The organization shall collect all other relevant information in addition to that directly related to human rights.

OECD Guidance
2.2 d
2.2 h

Reference 19 — Examples of information to be collected at the start of risk assessments

- Information relating to internal rumors and past problems
- Information from third parties
- Domestic and international news
- Information on amendments to laws, regulations, and ordinances
- Environmental impact assessments or equivalents
- Human rights impact assessments or equivalents
- Results of legal reviews or on-site investigations by external agencies
- Results of audits (such as accounting audits, occupational health and safety audits, environmental audits)
- Case studies of initiatives by other companies

As human rights concern all matters affecting people, the organization should collect information from a broad range of sources rather than from a limited range.



(3) Clarification of connections between identified risks and the organization

When assessing risks, the organization shall clarify which of the following forms of connections it has with the risks in relation to its activities, the products and services it provides, the items it procures, and its suppliers.

- The organization is a direct cause (or has the potential to be a direct cause) of adverse impacts
- The organization contributes to or exacerbates (or has the potential to contribute to or exacerbate) adverse impacts
- Through business relations, adverse impacts are (or have the potential to be) directly linked to the organization's businesses, products, or services

In order to improve the accuracy of evaluations, the organization shall obtain the required information by engaging with employees and others working for the organization as well as suppliers, customers, and other stakeholders. In particular, the organization shall proactively engage with those stakeholders whose human rights have been or may potentially be adversely impacted. In addition, the organization may, as needed, seek opinions from employees connected to human rights, internal departments with knowledge on human rights such as human resources departments and compliance departments, and outside experts and organizations involved in human rights, including attorneys and consultants who are familiar with human rights issues and human rights NGOs and NPOs, as well as related companies.

If consent is not reached on the assessment results, the organization shall take good faith actions to obtain consent with the utmost effort, such as arranging briefing sessions or other opportunities for discussions.

The organization shall record and retain the results of such communications with stakeholders.

(4) Obtaining supplier information

When conducting assessments of supply chain risks, such as the latent human rights risks in procured materials, raw materials, and services or the status of supplier initiatives on human rights risks, use the following as a reference for the types of supplier information to be collected.

- Results of interviews with suppliers
- Information on secondary and lower-tier suppliers and contractors
- Information from the Internet
- Information obtained from past transactions
- Results from self-assessment questionnaires (SAQs)

Related references

OECD Guidance
2.3 a
2.3 b
2.3 c
2.3 d

OECD Guidance
2.2 c
2.4 c



Reference 20 — The Common SAQ from GCNJ

This is a self-assessment questionnaire buyers send to their suppliers to determine the circumstances surrounding risks in supply chains.

The SAQ divides risks into the following nine categories. By having suppliers answer questions on the status of initiatives set for each category, buyers can conduct quantitative assessments of the suppliers' risk management status.

- Corporate governance
- Human rights
- Labor
- Environment
- Fair corporate activities
- Quality and safety
- Information security
- Supply chains
- Coexistence with local communities

As the SAQ answers are solely the subjective opinion of the supplier, the organization should confirm the validity of the SAQ scores, and adjust levels as needed, by looking at the responses from other suppliers.

[Refer to the official GCNJ website for details]

Reference 21 — Examples of how often to conduct SAQs

If the organization deals with many suppliers, conducting risk assessments on all suppliers every year may require too many resources and may lead to haphazard assessments or other negative impacts on assessment operations. Organizations in this position will need to devise ways to reduce workloads on their risk assessors, such as setting the intervals between assessments according suppliers' risk level and severity or making adjustments to the SAQ questions.

Rank	Criteria	Frequency
A	High assessment score	Every three years
B	Medium assessment score	Every two year
C	Low assessment score	Every year



(5) Conducting risk assessments

The organization shall conduct risk assessments based on obtained information, as detailed in (2) through (4) above. The risk assessments shall take into account the perspective of the organization's own business activities and that of the value chain — i.e., upstream processes (including the processing of materials and parts, extraction and mining of raw materials, and related suppliers) and downstream processes (including the use, application, disposal, and recycling of the products and services the organization provides). The risk assessments shall also account for the severity of any adverse impacts that have taken place as well as the probability of adverse impacts and the relative difficulty of remedying such impacts.

In particular, the organization shall identify activities that may not be conducted under legal or other systemic frameworks relating to human rights.

In risk assessments, the organization shall pay special consideration to minorities and socially vulnerable groups, such as those who are at higher risk of being bullied or harassed and women in male-dominated workplaces.

As a general rule, when organizations operate under a corporate group, each organization independently conducts risk assessments in line with this manual. The parent organization, however, provides support as necessary if there are any deficiencies or concerns of deficiencies with the assessments.

[Reference: Form 6 — Human Rights Risk Assessment Chart]

Related references

OECD Guidance
2.2 d
2.2 e
2.2 i
2.2 j

2-5. Determining High-Risk Items

The organization, from the obtained information, and including the results of the assessments described in Section 2-4 (5), shall identify risks that can be immediately addressed and large existing or latent risks. It shall also identify those risks that should be addressed as a matter of priority (severe risks or risks that if not addressed promptly may become irremediable).

The organization shall also identify supplier issues to be addressed with priority based on the results of supplier assessments.

Decisions on the results of risk assessments including scoping (including risks that are not high priority) shall be made after discussions by the committee and with the approval of upper management as risks to be managed through human rights due diligence. Decisions shall be made based on discussions with related companies and stakeholders whose human rights have been or may potentially be adversely impacted, as well as on the opinions of internal and outside experts.

[Reference: Form 7 — Human Rights Risk List]

UNGP-RF
B2
B3

OECD Guidance
2.4 a
2.4 b
2.4 d
2.4 e
2.4 f



2-6. Reviewing Assessment Results

The organization shall regularly review (at least once a year) the results of risk assessments, including scoping. In addition, risk assessments should be conducted and the latest status of risks determined as necessary, when the organization’s business conditions change, such as changes to its policies or entry into a new market, or when there are additions to its products and services, major changes to its businesses, changes to its suppliers or their circumstances, or significant changes in social conditions.

**Related
references**

OECD Guidance
2.2 g



3. Cessation, Prevention, and Mitigation of Adverse Impacts

3-1. Addressing Existing Adverse Impacts

(1) Cessation of adverse impacts

In the event that the organization is causing adverse impacts on human rights or contributing to or exacerbating adverse impacts, or in the event of information concerning adverse impacts has been obtained through external reports, internal consultation help desks, or third-party consultation help desks or hotlines, the officer in charge shall be contacted immediately and at the same time, measures shall be taken in order to stop the adverse impacts. (If the organization is unable to act directly or proactively, such as when the organization is contributing to or exacerbating adverse impacts, it shall still actively cooperate on the mitigation of any remaining adverse impacts).

If it is not possible to stop adverse impacts due to business, contractual, or legal issues, the organization shall consult with internal legal advisors, such as advisory attorneys, the impacted stakeholders, and other parties, shall examine mitigation measures and monitoring methods, and shall create a roadmap for improvements.

The person or department in charge of the matter shall create a record of the series of measures taken in response to the matter.

[Reference: Form 8 — Report on Adverse Impacts on Human Rights]

(2) Correction and recurrence prevention plans

In relation to the cessation of adverse impacts described in (1) above, the person or department in charge of the matter shall formulate plans to correct the adverse impacts and to prevent their recurrence. In formulating such plans, the person or department in charge shall strive to investigate the causes of the matter through follow-up studies and other means. In addition, the organization may, as needed, seek advice from employees connected to human rights, internal departments with knowledge on human rights such as human resources departments and compliance departments, and outside experts and organizations involved in human rights, including attorneys and consultants who are familiar with human rights issues and human rights NGOs and NPOs. The organization shall also engage with stakeholders whose human rights have been or may potentially be adversely impacted.

Such plans shall clarify the following matters.

- The particulars of the adverse impacts
- What parties are adversely impacted when the problem occurs
- The intention of the measures or the desired endpoint after taking the measures
- The details and methods of the measures
- The implementation period
- The person or department in charge and the manager responsible for the plans

Related references

UNGP-RF
C6

OECD Guidance
3.1 b

UNGP-RF
C1
C2
C2.1
C2.2
C2.3
C4
C4.1
C4.2
C4.3

OECD Guidance
3.1 c
3.1 e
3.1 f



The plans shall be discussed with stakeholders whose human rights have been or may potentially be adversely impacted, deliberated on by the committee, and then determined with the approval of the officer in charge.

[References: Form 9 — Correction Plan for Adverse Impacts on Human Rights, Form 10 — Confirmation of Correction of Adverse Impacts on Human Rights]

(3) Education and training

To ensure the plans formulated as described in (2) above are implemented properly, the organization shall create education and training plans to provide the necessary abilities to key personnel (including management) who will execute the plan.

The organization shall maintain records of the education and training provided. The records should contain the following particulars.

- The name of the education and training
- The objectives and aims of the education and training
- The details of the education and training (such as the textbooks and procedural documents used)
- When the education and training was implemented
- The person responsible for the education and training
- The participants in the education and training
- Whether or not the objectives of the education and training were achieved (determined with such means as checks of participants' understanding)

(4) Raising awareness among stakeholders

The organization shall raise awareness of human rights within the organization with the following methods.

- Provide information such as news and topics related to human rights
- Provide human rights information on the organization's intranet
- Hold events such as lectures and study groups on human rights
- Present topics related to human rights at internal departmental meetings

(5) Confirming corrective effects

After implementing correction plans, the person or department in charge of the corrections shall confirm that the implemented measures have met their intentions or objectives, and at the same time, shall assess the effectiveness of the measures.

If the assessments find that the corrections have not been sufficient, the person or department in charge shall revise the plans and repeat the correction process until the intended results are achieved.

Related references

OECD Guidance
3.1 d



3-2. Ceasing and Mitigating Latent Adverse Impacts

(1) Development of prevention measures

The person or the department in charge of the risk factors determined in Section 2-5 shall develop measures for the appropriate management of these risks.

In developing plans, the organization shall make reference to advice from employees connected to human rights, internal departments with knowledge on human rights such as human resources departments and compliance departments, and outside experts and organizations involved in human rights, including attorneys and consultants who are familiar with human rights issues and human rights NGOs and NPOs. The organization shall also engage with stakeholders whose human rights have been or may potentially be adversely impacted.

Such plans shall clarify the following matters.

- The particulars of the latent adverse impacts
- What parties are adversely impacted should the problem occur
- The intention of the measures or the desired endpoint after taking the measures
- The details and methods of the measures
- The implementation period
- Management indicators connected to the key factors of the operations (KPIs)
- The person or department in charge and the manager responsible for the plans

Examples of prevention measures

1. Change details of operations or abolish operations

Completely eliminate or replace with other operations any operations that involve hazardous work or cause psychological stress.

2. Establish or revise systems

Where there are possibilities that variations in the judgments of individuals will cause stress on others, set up systems or criteria to promote the proper execution of operations and support appropriate judgments.

3. Relocate personnel

Change the placements of perpetrators and/or victims in consideration of the victims' wishes.

4. Education and training

Conduct education and training with the objective of imparting knowledge on human rights and fostering an awareness of human rights. [related to Section 3-1 (3)]

5. Establish or modify facilities, equipment, and devices

If there are facilities, equipment, or devices whose design fails to account for a diversity of users — such as the number of toilets and rest areas, the height of emergency stop buttons, or signage in

Related references

OECD Guidance
3.2 a
3.2 b



colors that are difficult to see, take measures to either modify existing facilities, equipment, or devices or install new facilities, equipment, or devices in locations where they had previously not been provided.

6. Establish or review procedures

Put risk control measures in place by establishing procedures for operations that involve hazardous work or long working hours.

7. Modify products or change details of services

For products with safety issues or for products and services whose design fails to account for a diversity of users, either take measures to mitigate the adverse impacts of the products or services or modify or change the products or services themselves.

8. Change procurement items

If there are risks of human rights violations occurring in the mining / extraction or manufacturing processes of materials or parts, change the organization's procurement to alternative materials and parts.

9. Change suppliers

Change procurement agreements to reliable suppliers from suppliers with poor working environments or other management system inadequacies and from suppliers with a history of misconduct or other serious adverse impacts (whether existing or latent) on human rights.

10. Build monitoring systems or strengthen monitoring

Construct monitoring systems for high-risk operations, products and services, suppliers, and procurement items and implement regular monitoring of these high-risk areas.

Plans shall be determined after deliberations by the committee and with the approval of the officer in charge.

[Reference: Form 11 — Human Rights Risks Prevention Plan]

(2) Implementing plans

When implementing the measures planned in (1) above, the department in charge shall, to the extent possible, engage and collaborate with stakeholders whose human rights have been or may potentially be adversely impacted.

Related references

OECD Guidance

3.1 g
3.1 h
3.2 c
3.2 d
3.2 e
3.2 f



(3) Points to note when formulating and executing plans

A. Exercise of influence over parties causing adverse impacts

In the case that a trading partner or another related party causes or contributes to adverse impacts on the organization or the organization's stakeholders, the organization shall either advise the party causing the adverse impacts to cease or mitigate the adverse impacts or plan measures, such as those listed below, to cease or mitigate the adverse impacts.

- Exert the organization's influence over the party by upper management or other influential people in the organization
- Provide transaction-related incentives in turn for ceasing or mitigating adverse impacts
- Examine measures in partnership with other groups and organizations, such as industry associations and government agencies
- Suspend or dissolve the trading relationship

Reference 22 — Exercising influence

Effective responses to adverse impacts include not only responses taken independently by one organization, but also those taken in step with government agencies, industry associations, supply chain partners, and the GCNJ and other platforms that span businesses and industries. It is necessary also consider strengthening overall measures in addition to addressing the adverse impacts.

B. Prior notification of requirements to trading partners

To ensure that no adverse impacts on human rights occur over the course of future business transactions, the organization shall make new trading partners aware of its human rights policy, procurement guidelines, and other rules prior to the commencement of transactions. [related to Section 1-3 (1)]

C. Support for other companies in the organization's sphere of influence

In the case that another company causes adverse impacts on human rights and the other company intends to take measures to cease or mitigate the adverse impacts, the organization shall, to the extent possible, collaborate with the other company toward resolving the issue, such as consulting with stakeholders whose human rights have been impacted or may potentially be impacted. For example, the organization may consider participating in sector-wide activities or engaging with governments.

D. Support for suppliers

In the case that a supplier or other related party is taking measures against adverse impacts and risks relating to human rights, the organization shall provide support as needed. Methods of support include education and training, the provision of funds, the provision of technology and knowledge, and revisions to purchasing prices. Support measures shall be determined after deliberations by the committee and with the approval of upper management.

E. Maintaining or terminating trading relationships with suppliers

While undertaking activities to support suppliers, the organization shall

Related references

OECD Guidance
3.2 g



not immediately terminate the relationship with a supplier found to be involved in serious adverse impacts on human rights. Instead, the organization shall exert its influence to encourage the supplier to cease or mitigate the adverse impacts on human rights. The organization shall convene the committee to deliberate on the matter, and based on these deliberations, work with the supplier to address the risks. In this case, the organization shall create specific improvement measures with set deadlines and monitor the progress of the improvements. At the point when the supplier is deemed unlikely to make improvements in spite of these measures, the organization shall consider suspending transactions or terminating the business relationship. Before deciding to suspend transactions or terminate the business relationship, the organization shall assess the associated social and economic impacts, and after deliberations by the committee, make the final determination on whether to suspend transactions or terminate the business relationship.

During the termination process, coordination and communication with impacted stakeholders are crucial. It is also important to explain the reasons for termination carefully and in full to the supplier. Conversely, if the committee decides to continue the business relationship, the reasons and context for the decision shall be clearly stated, along with the reputational risks, financial risks, and legal risks associated with continuing the relationship.

Detailed minutes shall be recorded of the entire deliberation process to retain evidence of the final determination.

F. Withdrawal from conflict areas and similar situations

Should the organization be forced to withdraw its business from a conflict area or similar situation due to a sudden deterioration in circumstances, the organization shall provide an explanation for the withdrawal to stakeholders including locally hired employees and related local suppliers. The organization, to the extent possible, shall provide opportunities, such as briefing sessions, for direct discussions; however, if such opportunities are not possible, the organization may use alternative means such as written documents or online postings.

Reference 23 — Human rights issues in conflict areas and areas affected by criminal groups

In areas of conflict or areas where people are affected by widespread violence or serious harm by organized crime groups, it is easy to imagine that no new entrants or replacement companies will come to the area after withdrawing a business from the area. Withdrawing a business from such areas will not only have a major negative impact on local living conditions and the local economy as a result of delays in the provision of products and services; it will also have a significant impact on employment. Therefore, the organization must seriously consider these impacts before withdrawing its business from such areas.

Reference Document

Heightened Human Rights Due Diligence for Business in Conflict-Affected Contexts, published by the UNDP

When companies operate in conflict-affected areas, distinctive human rights risks arise. To address these risks, the United Nations Development Programme (UNDP) published the *Heightened Human Rights Due Diligence for Business in Conflict-Affected Contexts*. This handbook provides specific guidelines for companies to act ethically and responsibly in conflict-affected contexts.

Related references

OECD Guidance
3.2 h
3.2 i
3.2 j

4-1. Foundations of Monitoring, Measurements, Analyses, and Assessments

In order to maintain the effectiveness of human rights initiatives, managers and departments in charge shall not only regularly monitor efforts relating to human rights due diligence but also conduct regular assessments.

In addition, upper management shall plan and regularly conduct second-party (in-house) or third-party reviews and audits on business partners in regard to the organization's human rights due diligence to assess their conformity and the effectiveness of their efforts with respect to legal requirements, social demands, and rules, such as policies and guidelines, prescribed by the organization.

Note that when monitoring (conducting on-site visual inspections and interviews) precedes audits, monitoring is managed by operational departments, whereas audits are managed by supervising departments.

[Reference: Form 5 — List of Social Demands Related to Human Rights and Response Status Checklist]

4-2. Monitoring, Measurements, Analyses, Assessments, and Follow-Up Surveys

(1) Monitoring and measurements

The organization shall regularly monitor the following items, and where it is possible to determine results quantitatively, it shall record measurements of the situations.

- Social demands identified in Section 2-3
- The status of risks
- The state of progress on the series of initiatives described in Chapter 3
- Data on complaints and adverse impacts
- Feedback from stakeholders, particularly rights holders
- All other items prescribed in this Manual

Reference 24 — Ways to gather feedback from stakeholders

It is important for an organization to gather opinions and feedback from workers, consumers, and local residents — and input from rights holders in particular cannot be ignored — when looking to incorporate feedback from stakeholders regarding human rights. Ways to collect opinions and feedback from rights holders include dialog with labor unions or worker representatives, making use of interviews with workers carried out during audits, listening to complaints received through grievance mechanisms, and using opportunities provided by briefing sessions held for local residents.

Related references

UNGP-RF
C5

OECD Guidance
4.1 a



(2) Analyses and assessments

The organization shall analyze monitoring and measurement results on the following criteria and assess the effectiveness of initiatives.

- Social demands identified in Section 2-3
- Items set as described in Chapter 3 [related to Section 3-2 (1)]
- All other items prescribed in this Manual

[Reference: Form 11 — Human Rights Risks Prevention Plan]

Related references

OECD Guidance
4.1 b

4-3. Audits

(1) Foundations of audits

Upper management shall instruct the audit department to conduct human rights audits in order to maintain the appropriateness and effectiveness of the organization's human rights due diligence.

Audits shall confirm the following items in terms of how they relate to the organization's operations, activities, and suppliers.

- Social demands identified in Section 2-3
- Items set as described in Chapter 3 [related to Section 3-2 (1)]
- All other items prescribed in this Manual
- The effectiveness of initiatives related to human rights due diligence

(2) Audit plans

The head of the audit department shall formulate audit plans based on the intentions of upper management. Audit plans shall clearly state the following items.

- The objectives or aims of the audit
- The criteria of the audit
- Departments or suppliers subject to the audit, or the products and services subject to audit *1
- The timing of the audit
- The auditors *2
- The audit method (such as a documentation audit, an on-site audit, or an online audit)

*1. The entities or items subject to the audit shall be selected based on the size of the corresponding risks.

*2. To ensure the independence of the audit, auditors must be individuals who are not directly involved with the parties being audited (or the departments or organizations being audited) or with the operations being audited.

Audit plans shall be determined with the approval of the organization's Board of Directors.

[References: Form 12 — Human Rights Audit Plan / Results Report, Form 13 — Human Rights Audit Implementation Plan]



(3) Internal audits

The audit department shall conduct audits on human rights due diligence initiatives that concern the organization's own operations and activities.

1. Verify whether the human rights policy and human rights due diligence procedures are being implemented properly
2. Verify compliance with laws, regulations, and guidelines related to human rights
3. Verify the details and procedures of risk assessments as well as the information collected during risk assessments
4. Verify whether an effective grievance mechanism has been established and is operational
5. Verify the implementation of education programs on human rights
6. Verify the effectiveness of initiatives
7. Report the findings of internal audits to management and related departments and propose necessary improvement measures

[References: Form 12 — Human Rights Audit Plan / Results Report, Form 13 — Human Rights Audit Implementation Plan, Form 14 — Human Rights Audit Improvement Instructions]

(4) Supply chain audits

The audit department shall conduct audits on risks in the supply chain and the status of managing those risks.

1. Define the objectives, scope, and methods of the audit, coordinate with related parties, and formulate an audit plan
2. Verify compliance with laws, regulations, and guidelines related to human rights
3. Collect information on suppliers in advance (such as websites, completed SAQs, risk assessment results, and details of transactions)
4. Verify the implementation of education programs on human rights
5. Verify the status of responses to existing risks
6. Verify whether an effective grievance mechanism has been established and is operational
7. Verify the status of concrete initiatives to mitigate risks
8. Verify whether the details from previous engagement efforts have been incorporated in initiatives

[References: Form 12 — Human Rights Audit Plan / Results Report, Form 13 — Human Rights Audit Implementation Plan, Form 14 — Human Rights Audit Improvement Instructions]

Related references



Reference 25 — Human rights audits

Audits on suppliers have usually covered such aspects as quality management or production processes. Today, these audits are covering more aspects, such as environmental issues and occupational health and safety. Conducting individual audits for these wide-ranging topics are likely to impose sizeable burdens on both the auditors and the parties being audited. In such cases, it can be effective for the organization to consider covering multiple topics in a single audit. Furthermore, unlike internal audits, relationships with suppliers are based on contractual agreements. Therefore, similar to the consent required for initiatives outlined in Section 1-3 (2), it is important for the organization to inform suppliers in advance about the possibility of conducting such audits during contract negotiations and obtain their consent.

Related references

(5) Measures taken when problems are discovered (corrective measures)

When routine monitoring, internal audits, or supply chain audits turn up problems, or when there are concerns that problems are being contributed to or exacerbated, the organization shall immediately engage with stakeholders, including victims and employees, labor unions or worker representatives, and other relevant parties, and cooperate with stakeholders on taking measures to prevent any further damage (measures to correct the problems).

Note: Corrective action measures that lead to foundational solutions are described in Chapter 6. In addition, if the problems involve multiple parties, the committee shall deliberate on the responses.

OECD Guidance
4.1 c

(6) Reporting audit findings

The audit department shall summarize and report to upper management and the Board of Directors the findings, and matters relating to corresponding corrections, of internal audits and supply chain audits conducted during the financial year in accordance with the audit plans.

[Reference: Form 15 — Human Rights Audit Results Report]

Reference 26 — Using platforms for human rights due diligence

For an organization to conduct human rights due diligence solely on its own requires significant human and financial resources. However, some of these resources can be supplemented through the use of outside human rights platforms.

Platforms such as SEDEX, EcoVadis, and the RBA provide tools for organizations to assess and share information on labor conditions and environmental performance within their supply chains. By effectively utilizing these platforms, organizations can comprehensively and efficiently recognize (determine) risks across the fields of human rights, occupational health and safety, the environment, and corporate ethics.

Making use of these platforms allows organizations to efficiently outsource part of their human rights due diligence and thereby optimize their resources. When considering adopting a platform, an organization should verify the platform's alignment with international frameworks like the *Guiding Principles on Business and Human Rights* and carefully assess whether the platform's characteristics suit the organization's needs.



4-4. Management Reviews

(1) Conducting management reviews

Upper management, in order to maintain the ongoing appropriateness, validity, and effectiveness of human rights due diligence, shall conduct periodic reviews of human rights due diligence at specific predetermined times.

(2) Management review inputs

Management reviews shall consider the following matters.

- Measures taken against adverse impacts on human rights that have occurred to date
- External and internal issues affecting human rights due diligence
- Changes in social demands as well as the needs and expectations of stakeholders
- Changes in operations conducted by the organization, the products and services handled, its procurement items, and its suppliers
- The status of risks
- The status of measures described in Section 2-3
- Records of complaints (including information from third-party consultation help desks) and problems
- Monitoring and measurement results
- Status of compliance with social demands, the code of conduct, the human rights policy, and other internal rules
- Findings of internal and external audits
- The status of management resources allocated to human rights due diligence
- Proposals for improvements from departments and the officer in charge

(3) Management review outputs

Reviews by upper management shall cover the following matters.

- Conclusions about the appropriateness, validity, and effectiveness of human rights due diligence (including corrections and remediations)
- Instructions for improvements
- Decisions on management resources

(4) Reporting the findings of management reviews

Upper management shall report the findings of management reviews to the Board of Directors.

[Reference: Form 17 — Human Rights Due Diligence Management Review Records]

Related references

UNGP-RF

A2.5
C2.2
C2.3
C3
C3.1
C3.2
C4.1
C4.3
C5.1
C6.3
C6.4
C6.5

OECD Guidance 4.1 f



5. Disclosure of Initiatives

5-1. Foundations of Information Disclosures

The organization shall publicly disclose information regarding its human rights due diligence policies and processes. Such information disclosures shall focus on human rights risks relevant to the organization's business activities and transactional relationships and provide a balanced presentation of cases from relevant regions. The disclosures shall explain the reasons for excluding material information that cannot be disclosed. Disclosures may be made in a standardized format through regular reports, supplemented by detailed disclosures on particularly serious human rights risks, or by incorporating itemized indicators to provide detailed information.

The disclosures shall give particular attention to individuals or groups directly or significantly affected (or previously affected) by adverse human rights impacts or risks. Relevant information shall be communicated in a timely and reliable manner, accounting for language and cultural sensitivities, and through means accessible to the intended recipients.

Related references

UNGP-RF

B1

B2

B3

B4

OECD Guidance
5.1 b

5-2. Disclosures

(1) Items to be disclosed

1. Code of conduct and other criteria established by the organization to fulfill its social responsibilities [related to sections 1-1 (1) and 1-3 (1)]
2. Information on the relationship between the criteria above and the organization's management plans [related to Section 1-2]
3. The organization's business areas identified through scoping [related to Section 2-1]
4. Significant adverse impacts and risks identified among the identified business areas [related to Section 2-5]
5. The criteria and processes used to determine significant adverse impacts and risks [related to Section 2-4]
6. Mitigation and preventive measures, and their plans, for identified significant adverse impacts and risks [related to sections 3-1 (1) and 3-2 (1)]
7. Information on mitigation and prevention plans and the results of their implementation [related to sections 3-1 (2) and 3-2 (2)]
8. The method for assessing the results of implementing mitigation and prevention plans [related to sections 4-2, 4-3, and 4-4]
9. Information related to the corrective actions taken — Note that this includes both corrective actions taken voluntarily by the organization and other actions it has assisted [related to sections 6-1 (2) and 6-1 (3)]
10. Details on received complaints and the results of corrective actions taken in response [related to Section 6-2 (3)]

(2) Disclosure media

The organization shall make the disclosures defined above widely available, through such means as including the disclosures in its reports on social responsibility and posting the disclosures on its website.



Reference 27 — Major reports on social responsibility

- CSR reports
- Sustainability reports
- Integrated reports

Related references

(3) Responding to inquiries from concerned parties

When a stakeholder whose human rights have been adversely impacted, or are being impacted, makes an inquiry about the handling of the matter in question, the officer in charge shall provide all related information, including how the matter was resolved.

- The response method (such as the sender, the medium, frequency, and timing) shall be commensurate to the size of the impact.
- The information provided in the response and how it is to be provided shall be deliberated by a predetermined procedure and approved by upper management or the officer in charge.
- Reports shall be made promptly to upper management, according to the severity of the matter, on matters that were not deliberated on by upper management.
- Upper management or the officer in charge shall take responsibility for explanations to the stakeholder.

Responses shall account for cultural sensitivities and timing to ensure that stakeholders do not suffer any disadvantages as a result of the provision and disclosure of information.

OECD Guidance
5.1 c



6. Corrective Action and Remediation

6-1. Corrective Action and Remedial Measures

(1) Foundations of corrective action and remedial measures

The organization, on determining that it has caused, contributed to, or exacerbated adverse impacts on human rights, shall correct the situation and, at the same time, take corrective action measures commensurate with the situation. The determination may be made on the basis of complaints from stakeholders whose human rights have been or are being impacted, reports from within or outside the organization, or findings from internal or external audits.

(2) Formulation and implementation of corrective action and remedial measures

(i) Initial response

When a situation described in (1) above has been identified, the organization shall promptly contact a manager (in the case of a human rights issue at a supplier, the manager of the relevant department) or a head of the CSR, HR, legal, compliance, or other department with expertise in human rights. The manager or department head receiving the notification shall take action to prevent further expansion of the adverse impacts and promptly report the situation and details of the responses taken to the officer in charge of human rights.

Furthermore, the organization shall investigate the cause of the situation described in (1) and promptly initiate dialog with stakeholders toward correction of the situation. This includes offering apologies to impacted stakeholders.

(ii) Development of a corrective action plan

The organization shall promptly develop a plan for corrective actions and prevention involving managers, department heads, and the officer in charge. The corrective action plan shall be developed with legal compliance in mind, referencing international guidelines on corrective action measures. The plan shall be determined following consultations with impacted stakeholders and deliberations by the committee.

The corrective action plan shall include the following matters.

- Date on which the situation was discovered
- Details of the adverse impacts
- Victims (including individuals, groups, and communities whose human rights have been adversely impacted)
- Who discovered the situation
- Details of the initial response
- Whether apologies will be offered and the details of any apologies (when, who apologizes, to whom, what will be explained, and the reaction to the apology)
- Information on restorations of damages and returns of position or reinstatements
- Details of monetary or non-monetary compensation
- Whether disciplinary action will be taken and the details of any disciplinary action

Related references

UNGP-RF
C6

OECD Guidance
6.1 a

UNGP-RF
C4.1

UNGP-RF
C4.2
C5.1

OECD Guidance
6.1 b
6.1 c



- Causes of the incurred damages
- Measures to be taken (details and implementation deadline)
- How the effectiveness of the measures will be verified
- Procedures to be taken should consensus not be reached on the results of the corrective actions

Related references

UNGP-RF
C4.3

[References: Form 9 — Correction Plan for Adverse Impacts on Human Rights,
Form 14 — Human Rights Audit Improvement Instructions]

If the organization determines that formulating the initial response and corrective action plans is difficult to do on its own, it should consider collaborating with related parties on implementing corrective action measures. Such collaborations include partnering with outside experts on handling human rights issues and engaging in dialog with impacted stakeholders or NGOs with relevant expertise. Also important is coordinating responses with other organizations in the same industry with overlapping supply chains.

(iii) Implementing corrective actions

The organization shall implement the corrective action plan formulated as specified in (ii) above.

If it is identified that the organization caused, contributed to, or exacerbated adverse impacts on human rights, it is important to provide appropriate information to explain to stakeholders that the organization is earnestly addressing the matter. In terms of information provision, even before the organization's own corrective actions are completed, the organization is required to disclose publicly its progress on the corrective actions, including the situation as understood by the organization and the direction of its initiatives.

(iv) Incorporation into human rights due diligence [related to sections 1-2 (2) and 1-2 (3)]

The organization shall maintain documented records of the implementation of the corrective action plan and make reports concerning the implementation to the committee.

The committee shall review the reports on the corrective action plan and its implementation, and reassess its materiality with respect to human rights and review human rights due diligence processes.

(3) Assessing the effectiveness of the corrective action measures

The organization, regarding the series of corrective actions taken in accordance with the plan and their outcomes, shall assess, to the extent possible, the effectiveness of the corrective action measures and the level of satisfaction of the people who filed complaints, through such means as interviews with the impacted stakeholders. (Organizations shall make good faith efforts to conduct assessments.)

If the organization determines, as a result of the assessment, that the corrective action measures have not been effective, it shall revise the corrective action plan and take further measures.



The organization shall maintain records on these measures and shall report on them to the committee.

[References: Form 10 — Confirmation of Correction of Adverse Impacts on Human Rights, Form 16 — Human Rights Audit Improvement Report]

Related references

UNGP-RF
C6.3

OECD Guidance
6.1 d

UNGP-RF
C6.1
C6.2

OECD Guidance
6.2 a

6-2. Complaint Handling and Grievance Mechanisms

(1) Establishing consultation help desks

The organization shall establish consultation help desks to provide remedial support for impacted stakeholders, for cases where the organization has caused or otherwise contributed to or exacerbated adverse impacts on human rights.

Should the organization determine that its consultation help desks alone cannot handle all complaints and requests from stakeholders, it shall select effective organizations to serve as third-party consultation help desks. Such effective organizations include attorneys or consultants with expertise in human rights issues, human rights NGOs or NPOs, and outside experts or institutions that specialize in human rights. The organization shall make stakeholders aware of the existence of the consultation help desks by posting information on its website and through other channels.

Reference 28 — Examples of human rights-related organizations that can serve as third-party consultation help desks

- Attorneys-at-law
- Consultation help desks set up by industry associations
- Consultation help desks (nationwide consultation help desks) established by the Ministry of Foreign Affairs, Ministry of Health, Labour, and Welfare, or Ministry of Economy, Trade and Industry
- The human rights consultation help desk of the Legal Affairs Bureau
- The native language counselling help desk of the Organization for Technical Intern Training
- Certified social insurance and labor consultants

(2) Establishing internal consultation help desks

The organization shall establish consultation help desks that take complaints and opinions from employees (including regular employees, non-regular employees, contract employees, part timers, casual workers, and all other types of workers). Trade unions or worker representatives shall be involved in the operation of the internal consultation help desks.

OECD Guidance
6.2 b
6.2 c

(3) Determining personnel in charge and handling procedures

The organization shall appoint a manager responsible for complaint handling and grievance resolution, as well as a department to receive complaints and respond to consultations, for the consultation help desks specified in (1) and (2) above. It shall also establish processes for handling complaints and resolving grievances (including procedures for receiving consultations, methods for confirming consultation matters with the relevant parties, and internal reporting systems). Furthermore, making stakeholders aware of the consultation help



desks and the procedures for processing consultations helps enhance the credibility of and ease of using the consultation help desks.

Related references

(4) Maintaining records of acquired information

The organization shall maintain records of the details of complaints, consultations, requests, and other information relating to human rights obtained from third-party consultation help desks, internal consultation help desks, and other channels.

(5) Protecting providers of information

The organization shall never disclose without a valid reason any information acquired through the operation of the consultation help desks specified in (1) and (2) above — particularly information that can be used to identify the provider of the information — in the interest of protecting the life, body, assets, and other interests of providers of information. In particular, the organization shall provide rigorous training on information protection to all personnel involved in consultations to prevent the willful transmission or dissemination of information via email, social media, and other channels.

Reference 29 — Differences between the Whistleblower Protection Act and complaint handling mechanisms

Japan's Whistleblower Protection Act, which protects workers who make internal reports (specifically, the individual who does the whistleblowing), requires organizations to establish systems to protect whistleblowers when directors, employees, agents, or other individuals make reports about the organization to entities with the authority to issue corrective orders to the organization, such as commissioners of contracted work or administrative agencies. The Act also mandates that organizations designate personnel responsible for investigating and correcting the reported facts.

The Act encourages businesses with 300 or fewer employees to put similar protection programs in place.

The purpose of the Whistleblower Protection Act is to protect individuals from dismissal or other adverse treatment after reporting corporate violations of laws and regulations. In contrast, complaint handling mechanisms, in protecting providers of information, aim to prevent retaliation against such providers of information, either within or outside the organization, when the organization identifies human rights risks. The other purpose is to provide appropriate remedies to victims whose human rights have been violated.

Main differences	Complaint handling mechanisms	Whistleblower Protection Act
Scope	Wide range of stakeholders	Primarily workers and executives
Information reported	Information on all aspects of human rights risks	Information on acts that violate laws or regulations
Protection measures	Protection through internal organization regulations and systems	Legal protection

(6) Disclosures of acquired information

The organization shall disclose, both internally and externally, information relating to human rights that has been received over the course of the fiscal year.

Disclosures shall include the following matters, and the details of



disclosures shall be determined after deliberations by the committee.

- The number of complaints, consultations, requests, and other information
- The main details of complaints, consultations, requests, and other information
- Results of analyzing locations, trends, and other patterns in the complaints, consultations, requests, and other information
- Measures taken in response to complaints, consultations, requests, and other information and how responses will be taken in the future

Related references

Reference 30 — Basic actions for dialog and remedies in response to issues or complaints

The *Engagement and Remedy Guidelines for the Promotion of Responsible Business Conduct and Responsible Supply Chains*, published by the Japan Responsible Supply Chains Committee (JRSC), which is comprised of multiple stakeholders mainly from the GCNJ and the Business and Human Rights Lawyers Network Japan (BHR Lawyers), recommends the following ten basic actions in order to promote constructive dialog on human rights issues between organizations and the public.

- (1) Accept complaints relating to responsible business conduct, including international human rights and supply chains
- (2) Designate within the organization a person responsible for handling complaints and resolving grievances, as well as a department to receive complaints and respond to dialog
- (3) Establish a consultation help desk for the acceptance of complaints and consultations and disclose its existence to the public
- (4) Prescribe procedures for handling complaints and resolving grievances and disclose the procedures to the public
- (5) Prevent conflicts of interest in handling complaints and resolving grievances
- (6) Prevent disadvantages from occurring to individuals who file complaints for the act of reporting information
- (7) Disclose, to the extent possible, the status of handling complaints and consultations
- (8) Engage in dialog with stakeholders and hire independent outside experts to handle complaints and resolve grievances
- (9) Regularly review and make improvements to complaint handling and grievance resolution, with reference to these Guidelines
- (10) Share within the organization, including at the management level, the status of handling complaints and consultations

Note: Make use of collective complaint handling / consultation procedures (such as complaint handling and grievance resolution centers) as necessary.

Source: *Engagement and Remedy Guidelines*, BHR Lawyers Network
<https://www.bhrlawyers.org/en-erguidelines>

Reference 31 — Practical guide issued with the aim of aiding the establishment of grievance mechanisms in corporate businesses and human rights initiatives

Practical Points on Building Effective Grievance Mechanisms: Creating Mechanisms that Listen to Rights Holders' Grievances

Published by the GCNJ Human Rights & Labour Rights Working Streams
https://www.ungcnj.org/ca2030/files/grievance_mechanism.pdf



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Putting this Manual into practice will help promote activities that will lead to efforts towards the realization of a sustainable society and sustainable corporate activities. To this end, we appreciate your continued guidance and support.

Guidelines and Other References

- Guiding Principles on Business and Human Rights: Implementing the United Nations’ “Protect, Respect and Remedy” Framework, United Nations Information Centre
- National Action Plan on Business and Human Rights (2020 – 2025), The Inter-Ministerial Committee on Policy Promotion for the Implementation of Japan’s National Action Plan on Business and Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work, International Labor Organization
- Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, International Labor Organization
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, OECD
- OECD Due Diligence Guidance for Responsible Business Conduct, OECD
- Guidelines on Respecting Human Rights in Responsible Supply Chains, The Inter-Ministerial Committee on Policy Promotion for the Implementation of Japan’s National Action Plan on Business and Human Rights
- Responses to Business and Human Rights that are Now Required of Companies (Detailed Version), Human Rights Bureau, Ministry of Justice
- Human Rights Due Diligence Guidelines for Small and Medium-Sized Enterprises: Towards a Sustainable Society, Research Group on Business and Human Rights Issues, Center for International Economic Collaboration (CFIEC)
- Responsible Business Conduct Guidelines – Promoting Responsible Business Conduct in the Supply Chain, JEITA
- Guidance for Human Rights Due Diligence, Japan Federation of Bar Associations
- Engagement and Remedy Guidelines for the Promotion of Responsible Business Conduct and Responsible Supply Chains, Japan Responsible Supply Chains Committee (JRSC)
- Handbook for Management that Respects Human Rights, Japan Business Federation



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Building the Sustainable World Series

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